

MEMORANDUM No. 50

submitted by

THE ACCEPTING HOUSES COMMITTEE
AND
THE ISSUING HOUSES ASSOCIATION

March, 1967

Memorandum

I

1. The National interest requires that there should be the best possible working relations between Whitehall and the City. Government has become more involved in the detail of industrial life and intervenes to a greater extent than in times gone by in international commercial and financial dealings. It is essential that there should be a high degree of understanding and co-operation between the City and the Civil Service.

2. Whilst informal contact between Partners and Directors of the Accepting Houses and Issuing Houses and senior Civil Servants is to be greatly encouraged, it is of overriding importance that the Bank of England should be the formal representative of the City in all dealings with Government on behalf of the City, including the Accepting Houses in matters of monetary and banking policy.

3. Nonetheless the business of the clients of the Accepting Houses and Issuing Houses makes it more necessary than used to be the case that good relations be maintained between those Houses and the Government Departments interested in the affairs of the clients. The Treasury (including the Inland Revenue), the Board of Trade, the Ministry of Power, Ministry of Technology and Ministry of Transport, and to a lesser degree the Foreign Office, the Department of Economic Affairs and the Ministry of Overseas Development are probably the departments which the Issuing Houses and Accepting Houses most frequently contact. It is desirable that these departments, particularly those who have recently assumed new functions, should be familiar not only with the people concerned but the customary practices and methods of operation of the City.

4. There is room for improvement. There is considerable ignorance on both sides as to respective responsibilities and methods of operation. It is important that there should be a higher degree of appreciation of the problems which both the public and the private sectors have mutually to face. It is, above all, important that decisions of a clear-cut nature should be able to be obtained from Whitehall within the time factor that the business world operates.

5. There are certain reserves on the part of the City towards growing Government encroachment into the private sector and there are frequently suspicions in the Civil Service that the profit motive is not always in the National interest. These two approaches have to be reconciled if an adequate degree of mutual trust, which is essential to the National well-being, is to be achieved.

II

6. In practice most of the relations between the City and the Civil Service are on the level of the Administrative Class and the higher grade of Executive Class. There is little doubt that the Civil Service continues to attract to these classes a wide cross-section of able young men and women.

7. It is the experience of the members of the Accepting Houses Committee and the Issuing Houses Association, however, that many of their opposite numbers in the Civil Service are often handicapped by a lack of banking techniques. Moreover, with the growth of the public sector and the acceptance of a mixed economy, the role of some branches of the Civil Service is changing. Civil Servants, instead of being able to exercise their historic functions with traditional detachment, are now often called upon to discharge management functions. Such functions call for different training and approach.

III

8. There is a case for widening the possibilities for entry into the Civil Service. At present entry to the administrative and executive grades is normally only possible for men and women in their early twenties in the immediate post-graduate stage. However, many young men and women before going into industry now take post-graduate business courses or obtain a professional qualification. There would seem to be every advantage in encouraging such people after they have obtained their professional qualifications to enter the Civil Service. Qualifications such as a legal training or accountancy are clearly relevant to many posts in the Civil Service. The Civil Service could well do with more engineers, business managers or bankers. It is therefore suggested that it should be made easier for the right type of young man or woman, with professional qualifications, to enter the Civil Service up to the age of thirty or thirty-five. This would also enable the Civil Service to attract people who have held posts in industry or in the academic world.

9. A further possible source of recruitment might be the scientific world. It is now widely accepted that scientists are apt to make their major contribution, at least in research, whilst they are still comparatively young. Thereafter, they may have much to contribute to the public service, outside the more specialised field of the scientific Civil Service, as administrators and policy advisers.

IV

10. At the moment, there is perhaps still too much of a tendency for a civil servant to stay for most or all of his time in one and the same Department. It is worth considering whether, as a general rule, young entrants, on joining the executive or administrative branches of the Civil Service, should not be given more opportunity of widening their range of experience by moving relatively quickly between a number of Departments.

11. In the past, when the task of the Civil Servant was confined almost exclusively to regulatory, advisory and/or administrative functions, the Civil Service had tended, in regard to appointments and promotions, to reject specialisation and the doctrine of "Horses for courses". However, with the growing requirement for special aptitudes and special managerial skills within the Civil Service, and with the growth of a more commercial sense within many Departments, the Civil Service should in future consider whether it does not need to pay more regard, in the selection, appointment and promotion of Civil Servants, to special qualifications and skills.

V

12. In a mixed economy such as ours, with its constant interchange between the private and the public sectors, it is important that the Civil Service should not regard itself as a closed caste. The wider range of recruitment and the greater flexibility in training methods recommended above should help to break the barriers down. However, this will take time and there are a number of practical steps which could be taken forthwith to give Civil Servants a greater insight into the world of commerce and industry, and to give those who work in the City a better understanding of the special problems of Government.

13. The movement of Civil Servants into industry and commerce, and the flow in the reverse direction could with profit be further stimulated.

14. For example, a limited number of Civil Servants (e.g. those about to be appointed as commercial attachés at posts abroad) at present take short courses organised by the City of London College under the sponsorship of the Foreign Office and the Board of Trade. The members of the Accepting Houses Committee, who co-operate in these courses, believe that they serve a useful purpose. It should be considered whether they could not be extended to cover a wider range of Civil Servants.

15. It should also be reasonably easy to arrange for the secondment of a large number of Civil Servants to industry or commerce for longer periods, say for two or three years. In such cases the Civil Servants concerned would naturally be expected to play a full and active part in the firm to which they were seconded.

16. Another method would be to encourage the permanent transfer to the private sector of experienced Civil Servants. A number of former Civil Servants now make valuable contributions to private industry, following a successful career in the Civil Service. For the most part, however, they only leave the Civil Service towards the end of their careers there. In France it is quite common practice for exceptionally gifted public servants to leave the Civil Service for industry when they are in their mid-forties. It is at least worth considering whether this practice should not be encouraged in this country.

17. There is a reverse side to this coin, namely, transfers from the private sector to the Civil Service, either on a temporary or a permanent basis. In recent years there has been a definite drive to recruit suitable Civil Servants from industry, especially at the Principal level. This policy could well be extended.

18. If such movement between the Civil Service and industry and commerce, in either direction, is to be encouraged, a way will have to be found of levelling

out the disparities which exist at present in many cases between responsibilities and rewards inside and outside the Civil Service. There is also the linked and difficult question of the exchangeability of pension rights. It might well be desirable to appoint a special Working Party to consider both questions.

19. Other means of breaking down the barriers between the Civil Service and the outside world should be sought. For example, the scope and range of the present training schemes which are attended by Civil Servants, bankers, businessmen and industrialists could be enlarged. Another possibility, and one which the members of these bodies advocate, is the wider use, at many levels, of the short weekend conference where businessmen and Civil Servants can meet to discuss their mutual problems and, what is equally important, get to know each other personally.

VI

20. There is scope for far more consultation between the Civil Service and the City in the framing of economic and fiscal policies and in the preparation of legislation within this sphere. Misunderstandings could be avoided and a more confident relationship could be established if it became normal practice for the Government of the day to consult those with special and up-to-date knowledge of industry and commerce before policy decisions were taken in these fields. The members of the Accepting Houses Committee and of the Issuing Houses Association also believe that, with the increasing complexity of legislation, many avoidable mistakes and much uncertainty could be prevented if there was consultation on the details of legislation before its publication.

21. It is recognised that these suggestions involve important modifications in the Government's attitude towards policy-making and legislation, especially in the fiscal sphere. Such consultation might be held to expose the Civil Service and the Government of the day to undue pressure and "lobbying" by private interests. It may be held to involve some danger of the prior leakage of the type of information which is normally kept secret until Budget Day.

22. Such fears are exaggerated and are disproved by the fact that in the past security has been preserved on the occasions when the Government of the day took the City into its prior confidence. In any event, the risk of lobbying would be heavily outweighed by the gains in the shape of better policy making, better legislation, and a better and more confident relationship between the City and the Government which would flow from more consultation in advance.

MEMORANDUM No. 51

submitted by

THE ACCOUNTANTS JOINT PARLIAMENTARY
COMMITTEE

October, 1967

The Role of Professional Accountants in the Civil Service

1. The Accountants Joint Parliamentary Committee, which comprises the four bodies of accountants to which members of the professional accountant class in the Civil Service must belong (namely, the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants of Scotland, the Institute of Chartered Accountants in Ireland and the Association of Certified and Corporate Accountants), have been invited to give the Committee on the Civil Service their views on the employment and role of professional accountants within the Service.

2. Throughout this memorandum the term "professional accountant" is used to denote accountants belonging to the four bodies membership of which, as noted, is an essential requirement for admission to the professional accountant class. We recognise that members of those bodies may be recruited into the Civil Service to hold positions outside the professional accountant class, but our comments are confined to the nature and scope of the work done by the professional accountant class as such.

3. In expressing our views we have kept in mind that the non-industrial whole-time staff of the Civil Service numbers 800,000 and that in 1966 central Government current expenditure was £10,000 million. It is plain that the efficient running of an organisation of this order demands full use of modern techniques of management control.

4. We do not doubt that the Civil Service is well aware, and is making increasing use, of such techniques, though we are not in a position to judge how extensively they are applied.

5. It does however appear to us that the Civil Service has failed to recognise the essential contribution to be made to management by professional accountants. In this respect it is at variance with developments widely and actively pursued in the private sector in the last thirty or forty years.

6. We believe the point is demonstrated by the fact that there are only about 350 permanent posts for professional accountants as such in the Civil Service,

and these are mainly concerned with routine accounting functions, which, although important in themselves, are not the only functions or even the most significant ones which professional accountants are equipped to carry out and which in the private sector they are today called on to perform; in the latter sphere their work is largely directed towards matters of financial policy, administration and management.

7. The 350 posts established for professional accountants in the Civil Service should be compared with the fact that out of some 60,000 members of the accountancy bodies subscribing to this memorandum, approximately 25,000 are estimated to be employed in industry and commerce. This development has arisen mainly over the past thirty or forty years, and has accelerated since the end of the Second World War. In 1900 the combined membership of the four bodies (or their predecessors) subscribing to this memorandum was about 5,000, of whom only a handful were employed in industry or commerce. The Civil Service has evidently believed it unnecessary to invest in professional accountants on anything like the same scale as the private sector.

8. Not only is the number of posts established for professional accountants small, but their distribution amongst the departments seems to be on an inconsistent basis. Some major departments—the Home Office, the Ministry of Health and the Ministry of Housing and Local Government for instance—employ no members of the professional accountant class at all, nor is full advantage taken of the skill of professional accountants in the context of the audit function, despite the dominating importance of the latter in the work of professional accountants in public practice.

9. One of the main reasons for the increased use of professional accountants in the private sector is that the numbers, size and complexity of businesses have grown enormously, calling for much more sophisticated techniques of organisation, management and control. In the development, application and operation of these techniques professional accountants play a vital role. The Civil Service too has grown enormously in size and complexity. We believe that this growth makes it essential to give wider scope for constructive participation in the work of the Civil Service by professional accountants with the requisite skills.

10. It is axiomatic that, to operate effectively, all large organisations must define and divide areas of responsibility and delegate responsibility for them to selected managers. This in turn involves the fixing of clear objectives and of accountability for the use of given resources. In these processes the role of professional accountants includes the planning, creation and maintenance of a flow of relevant information and analyses for management which will help to define policies and objectives, measure progress towards their achievement, show up serious deviations, and account for resources. To be specific we have in mind, for instance, a more intensive and sophisticated application within departments, or other defined units of accountability, of such well established techniques as budgetary control and the evaluation and budgeting of capital investment projects. We would expect that the more extensive employment of professional accountants within the Civil Service as an integral part of the management staff, particularly, but by no means solely, within the major spending and contracting departments, would make an immediate contribution to the efficiency of the Service, and we believe that such a development would be an essential prerequisite to any new approach to cost control and economies.

11. The need to make greater and more effective use of professional accountants has been emphasised particularly in recent years by disclosures of substantial differences over levels of profit achieved on Government contracts. We think it is fundamental that the departments concerned should have available on their staff trained accountants of high calibre to provide financial management and evaluate and interpret financial statements and data.

12. In our submission the Civil Service should substantially expand the numbers and role of the professional accountants it employs. If this is accepted, we think that an essential prerequisite for its implementation is that the status and quality of professional accountants in the Civil Service should be raised by improving pay and promotion prospects. In particular, it should be possible for members of the professional accountant class with the necessary qualities to attain the highest posts in the Administrative Class. Unless there are opportunities for advancement of this nature we do not think that the Civil Service will be able to recruit professional accountants of the calibre it needs.

13. At the present time a newly qualified accountant in London may expect a starting salary of not less than £1,500 p.a.; thereafter, for a man of suitable calibre and experience, the broad salary progression would be from, say, £1,700 p.a. at age 25-26 to £3,000-£3,500 p.a. at age 34-35. This should be compared with the present salary scale for accountants in the professional accountant class, which is age-pointed from £1,200 p.a. at age 25 to £1,700 to age 34. The senior accountant grade, to which about two-thirds of the professional accountant class belong, has a pay range of £1,700 to £2,300 p.a. and by comparison on this basis ranks rather lower than senior executive officer grade. (Pay scales have been cited in round figures.)

14. The most senior position open to members of the professional accountant class is that of director, which is equivalent in pay range to that of assistant secretary. Only four such posts are held at the present time. The promotion and associated remuneration prospects of professional accountants are thus strictly limited. In fact, despite their qualifications, members of the professional accountant class are not regarded as eligible for appointments in the important field of general financial management and control, since these are restricted to members of the Administrative and Executive classes. We find this incomprehensible. It is in contrast with the positions of highest responsibility open to and held by professional accountants in commerce and industry.

15. The limits imposed on the scope and prospects of professional accountants in the Civil Service have inevitably had an adverse effect on morale and quality. It is not surprising that in recent years there has been a shortage of recruits of suitable standard to fill even the limited number of posts available (on 1st January, 1966, there were 83 unfilled vacancies out of 358 permanent posts available).

16. To summarise, we think far more extensive and effective use should be made of professional accountants in the Civil Service. Two complementary changes will be necessary to attract men of the necessary calibre and make the fullest use of their talents. First, we think it will be necessary for present salary scales for professional accountants employed by the Civil Service to be revised

to bring them more into line with those offered by firms of practising accountants and commercial employers. Second, we think it will be necessary for the Service to allow full opportunity for professional accountants to achieve promotion to higher posts including posts not necessarily directly associated with the exercise of the specialism in which they have been trained. The capacity of professional accountants to contribute to organisations in the wider sphere of general management is amply witnessed by the great numbers of them holding high executive posts in many leading British industrial and commercial undertakings, and we think the Civil Service should not deny itself the opportunity of making the fullest use of the abilities of such men.

MEMORANDUM No. 52

submitted by

THE ACCOUNTANTS JOINT PARLIAMENTARY COMMITTEE¹

December, 1967

Salaries of Articled Clerks

1. There is no scale of remuneration laid down for Chartered Accountants' articled clerks. From information made available by Chartered Accountants it is however possible to form the following broad view of current rates of remuneration for articled clerks in the central London area.

2. A boy of eighteen or nineteen with two or more "A" level passes entering into articles straight from school would normally be able to obtain a starting salary of between £500 and £600 per annum. Some firms are prepared to offer a starting salary of £650 per annum. Luncheon Vouchers are more often than not offered in London and these are in addition to salary. Subsequent increases in salary may be offered on an annual basis or may be related to success in examinations. For instance, some firms will give an articled clerk an increment of £200 on passing his Intermediate examination and a further £100 or £200 on passing the Final Part I. This means that if an articled clerk had started at £500 per annum he could be earning £700 within two years and £800 or £900 within three years.

3. Graduates currently entering into articles are in most cases starting at a salary of between £800 and £850 per annum with increases of £100 in each of the second and third years of service.

¹ The Committee asked the Accountants Joint Parliamentary Committee for information about the salaries of articled clerks to which this Memorandum is the reply.

MEMORANDUM No. 53

submitted by

THE ASSOCIATION OF CHILD CARE OFFICERS

December, 1966

The Association of Child Care Officers welcomes the opportunity of submitting evidence to the Committee on the Civil Service. The Association, which was founded in 1949, has some 2,000 members and represents Child Care Officers working in local authority children's departments and in voluntary organisations.

Introduction

1. In presenting this evidence the Association is recording its experience of the Civil Service both through direct contact and through the experiences of those whom the Child Care Service seeks to serve. We have also been concerned with the implications of future developments in the Social Services and it is necessary to relate this evidence to that given by the Association to the Committee on the future organisation of local authority personal social services and the Royal Commission on Local Government.

2. While the main concern of our evidence is with organisation and training in certain parts of the Civil Service we have inevitably been involved in discussion of practices too. This is because personnel and practice are closely related and we see changes in organisation, selection and training as the means to changing these.

3. The areas with which this evidence is concerned are:

- (a) The Ministries of Labour and of Social Security;
- (b) The Civil Service as employers;
- (c) The relation between the Civil Service and the local authority;
- (d) The Home Office and the Child Care Service.

The Ministries of Labour and Social Security

4. The Child Care Officer's most regular contact with the Civil Service is with the officers of the Ministry of Labour and the Ministry of Social Security. These contacts occur either directly, on behalf of clients or through client's seeking help for themselves. While many of the experiences are satisfactory in both process and outcome some have results which gravely interfere with the work which the Child Care Officer is trying to do with his clients. These problems occur most frequently in relation to applications for help under the National Assistance Acts and Ministry of Social Security Act. Examples of difficulties that have arisen are given in Appendix II.

5. Differences in practice have been experienced in the rates of payment by different areas in the same town or by different individual officers and in the willingness of the Board's officers to take part in case conferences.

6. Instances could be given of problems created by pressures put on unmarried mothers to find other accommodation or to go out to work before their children reached school or even Nursery School age.

7. Reports have been heard on the variable attitudes of Disabled Resettlement Officers towards long term unemployed men such as are characteristic among "problem family" fathers.

8. In many of these cases we recognise that the officers of the Ministries concerned have been acting strictly within the terms of their responsibilities and powers. On the other hand it is our view that considerable modification and latitude could be given in the exercise of these powers and responsibilities if the staff making the decisions or having contact with the public were properly selected and trained. At the present time those officers who are subject to such constant and stringent criticism from professional social workers may feel justly resentful because they share the attitudes common among many members of the public who also have no particular knowledge, training or skill in human relationships. We are aware that the ratings of local officers of the Ministry of Social Security may often be set aside by reference to Regional Officers. In our view this is inappropriate and, in emergencies, often not possible.

9. We are not suggesting that the officers of the Ministries of Labour and Social Security should be professionally trained social workers, in our view this would not be appropriate. Few people, in normal times, will not have some sensitivity about the need to request financial help because for some reason they are unable to act as breadwinner or there has been some breakdown in their family relationships. It is necessary therefore that staff who have contact with the public should be selected on the basis of their interest in the special activities of these Ministries, have some degree of insight and understanding into the client's feelings and be able to co-operate with other agencies where necessary.

10. There is also a need for training and this may be provided for in a variety of ways and in varying degrees. First there should be some basic training for all which would cover knowledge of the social services, their scope and methods, the nature of human needs and the problems of dependency, and the techniques of interviewing. The examples in Appendix II illustrate some of the problems with which the Ministry's officers have to deal and these will serve to demonstrate the need for them to be aware of and sensitive to the problems facing people seeking assistance. They need to be especially aware of the problems of long term dependency upon supplementary incomes and the consequent social deprivation. Second, training for senior staff (e.g. area managers) not only in internal management and organisation, but also training that will enable them to understand and use a knowledge of changing social structure and problems and their implications for policy and practice. These staff must also be equipped and encouraged to consult and co-operate with the statutory and voluntary social services in their area.

11. We are especially concerned that for social workers employed by the Ministries of Labour and Social Security not even a basic qualification in the Social Sciences is required. In our view all such staff should be professionally qualified social workers. We recommend that immediate steps should be taken to discuss with Universities and training bodies, arrangements for the admission of these staff to existing courses.

12. While in-service and special training courses may be necessary to deal with the immediate situation, social workers in these Ministries should not, in our view, undertake the main body of their training in isolation from other social workers. It is essential that there is a close and sympathetic liaison between national and local social services and this is best facilitated by joint training as well as by regular contact between field-work and administrative staffs in both fields once they are in employment.

13. As the effect of income related social security benefits reduces the number of applicants for Supplementary Benefits this aspect of the Ministry of Social Security's work will increasingly be concerned with that same small section of the population which is perennially the concern of the social worker. We believe therefore that training will contribute towards the early identification of incipient problems and a closer co-operation between the social services and should also permit the exercise of greater discretion in the making of grants.

14. With regard to the recruitment of staff we believe that in view of the degree of skill and training required particularly among staff concerned with Supplementary Benefits there should be direct and specialised recruitment. Special selection procedures should be applied. The salary structure should provide for career grades and there should be the possibility of direct entry for qualified and experienced social workers into senior posts.

15. We do not feel qualified to comment upon the activities of the Ministries at levels above the regional one. At local levels we believe that the Ministries should be designed in a way that makes their services readily available to all members of the community. There are many advantages in making areas covered by local offices co-extensive either with local authorities or with regional hospital boards. There should be flexibility in arrangements to meet local needs and provision for rapid decision-taking when crises or unusual cases arise. Our experience has been that hardship may be caused by the reference of applications to regional offices because of unusual circumstances. As suggested above we hope that training would ultimately reduce the need for the elaborate rules and procedure at present governing the power to grant supplementary benefits.

The Civil Service as Employers

16. While we have no evidence to cause us concern in this direction we would like to urge that all Government Departments should have regard to the advice of Social Service Ministries (particularly the Home Office, Ministry of Health and Ministry of Labour), concerning the employment of ex-prisoners, the mentally or physically handicapped, ex-mental hospital patients and young people who have been in care or are illegitimate. In our view the Civil Service

has particular obligations to set an example to other employers with regard to this group of people in the community and to avoid rejecting them on spurious grounds relating to the special position of the Civil Servant.

17. With regard to the employment of social workers in Government Departments we hope that the existing opportunities for training and closer association with statutory and voluntary agencies will be further developed and that the Civil Service will insist upon professional casework staff, as well as suitable conditions for their employment. We also recommend that social workers employed in advisory capacities should be professionally qualified.

Relationship between the Civil Service and Local Authorities

18. In the view of the Association much can be done to improve the relationship between state and local authority departments. Many difficulties arise through the failure of each to understand the means of communication and procedure within the other. For example, arrangements have been made for the establishment of Child Care Training Courses in local authority colleges without reference to the authority's Treasurer's or Education Departments with the result of subsequent unnecessary problems for all concerned.

19. Confusion may at time occur because of the diverse nature of the connection between Central and Local Departments; the Probation Service having only financial and other nominal connections with the local authority but many direct links with the Home Office Prison and Probation Department. The Children's Department while more clearly a local authority department also has obvious connections with the Home Office Children's Department; is inspected by them and the Secretary of State has the power to veto any proposed appointment of a Children's Officer. The Health and Welfare Department's connections with the Central Government are even less formalised although the Minister still exercises control over the appointment of Medical Officers of Health.

20. We view with apprehension the possibility of the establishment of a Family Service in local authorities with multiple points of reference in the Civil Service. We recommend that a single Department of State should have responsibility for a Family Service. In our view it is essential for good communications that the staff of this Department should be recruited and trained in a way that will guarantee its understanding of social work and social work methods and will be able to promote and encourage new development at local and national level. The Association believes that by strengthening in terms of status and size the Children's Department of the Home Office, central Government responsibility for any new family service could best be allocated to the Home Secretary.

The Home Office and the Child Care Services

21. The Child Care Service has close contact with the Home Office Children's Department through its Inspectorate. The relationship between the two often seems nebulous and at times uncertain. This is perhaps derived from the apparent lack of positive aspects in the Inspectors' work. Child Care Officers sometimes lack confidence in the criteria used by Inspectors or their qualifications for their particular activity. Similarly the Child Care Officer may rarely see any purposeful consequences of the Inspector's visitation.

22. In our view it is regrettable that this Department of the Home Office should accept and attempt to fulfil the role and expectations that the connotation "Inspectorate" conjures up. We recognise that, in the absence of a fully professionally qualified staff, the Inspectorate does serve to ensure, to some degree, the maintenance of minimum standards. It is the Association's view that, while this activity remains important, the Inspectorate should be playing a more positive and constructive role. We welcome indications of change in the structure and practices within the Inspectorate at the present time. As well as fostering general improvement in the level of provision we believe that the Home Office has special functions both in the gathering and dissemination of experiences in different areas and countries and also in promoting and fostering new experimental projects and methods of work. We recognise that this would entail some revision of the existing financial and administrative connections between the Home Office and local authorities and in our view it is unreasonable to place the major burden for the financing of new projects upon the ratepayer. We recommend that the Home Office should have power to finance special projects where a local authority feels unable to do so.

23. This Association recognises the particular role of the Inspectorate in protecting the rights of children in care. In our view the fact that the Home Secretary is answerable to Parliament on matters relating to the Child Care Service is fundamental to the protection of the rights of children in care. We particularly recognise the value of this responsibility in giving Children's Committees a very considerable degree of discretion in the type of provision made for children in care. We are anxious that this arrangement should not be changed as the consequence of the setting up of a Family Service.

24. At the present time the criteria applied in the selection of Inspectors is obscure and we recommend that their qualifications should be more clearly defined. In our view Inspectors should be professionally qualified social workers with wide experience in all types of social work. There should be greater facility of movement between the central and local Government fields. Some other, more appropriate title should be sought for the Inspectorate.

The Civil Service and a Family Service

25. Assuming that the consequence of the Seeborn Committee's Report is the setting up of Family Service Departments in local authorities, we have stated that, in our view, there should be a single Government department responsible for it. We believe that the present position of the Children's Department of the Home Office does not sufficiently reflect the importance of its responsibilities for the well-being of a significant part of the population. The Child Care Service in its concern for the family "at risk" is not only seeking to forestall cruelty or neglect, delinquency, deprivation or disturbance, but recognises that the at-risk family is ultimately the source of the adult criminal, the unsatisfactory employee, constant dependence on Social Security benefits, mental illness and eventually, lonely and isolated old age.

26. The question of the relationship of an Inspectorate to a Family Service must inevitably arise. In view of the widely varying standards of service in different parts of the country, and even between different departments of the same authority, we believe that an Inspectorate would be essential to the

creation, maintenance and improvement of standards in a Family Service. We recognise that this may entail the extension of the powers of the existing Children's Department Inspectorate to cover services hitherto without such supervision. We believe that this is inevitable and recommend that suitable steps should be taken to recruit and train Inspectors with experience in those fields of social work not at present covered.

The Home Office Research Unit

27. We welcome the appointment of a member of the Children's Department Inspectorate to have special responsibility for Child Care Research in the Research Unit. We would like to see research become an integral part of a local authority Children's Department's activities, both for the purpose of developing and understanding its own activities and for longer and more profound purposes. The Research Unit obviously has an important part to play in encouraging research by local authorities, Universities and other bodies. We would also like to see the Research Unit providing research services for the Child Care Service and accepting general responsibility for collating and disseminating information relevant to the Service. This would entail reviewing the bases upon which statistics are at present collected and the form of their publication.

In the event of a Family Service being established we recommend that Research Services be extended to all areas of its activity.

Conclusion

28. Our purpose in submitting this evidence is to draw attention to some limited aspects of the Civil Service which, while perhaps insignificant in relation to the sum of activities of the Civil Service, are of considerable significance in their impact upon the Child Care Service and its clients. On the whole our relations with the Civil Service have been satisfactory, but we have made some suggestions of ways in which we believe changes can be made that will lead to even closer co-operation and more effective services for the public.

APPENDIX

SUMMARY OF MAIN RECOMMENDATIONS

1. We recommend that positive instructions should be given to Officers of the Ministry of Social Security regarding co-operation with local authority social service departments.
2. We recommend that Managers and local office staff of the Ministry of Social Security should be specially selected and trained.
3. We recommend that all social workers employed in a social work capacity in the Civil Service should have a recognised professional social work qualification. 11
4. We recommend that the geographical areas covered by local offices of the Ministries of Labour and Social Security should be reviewed with the objective of relating them more closely to local authority areas. 15

5. We recommend that a single Department of State should be responsible for a Family Service. 20
6. and that this department should be the Home Office.
that an inspectorate should cover all the activities of a Family Service. 26
7. and that the Inspectorate should consist of professionally trained, appropriately qualified and experienced social workers. 24
8. We recommend that the activities of the Home Office Research Unit should be further extended. 27

MEMORANDUM No. 54

submitted by

THE ASSOCIATION OF EDUCATION COMMITTEES

November, 1966

Introduction

1. When this Association was invited to submit evidence to the Committee, it was suggested that we might wish to consider our evidence from one or more of three points of view. The first of these was as a "customer"; the second as an organisation with analogous problems; the third as an independent observer. We have not found it easy to separate the first and third points of view. However, it will be appreciated that the part of the Civil Service to which we stand in the relationship of "customer" is almost exclusively the Department of Education and Science. We have therefore felt that our comments on the Department should be separated from those which relate to the Civil Service as a whole; in this latter field we may perhaps claim the status of an "independent observer". Our evidence has been so arranged that we will deal with the Civil Service in general in the first section of the memorandum, and with the Department of Education and Science in the second. It is not felt that this Association is sufficiently similar to the Civil Service for any useful comparisons to be drawn, but we have taken the opportunity in our evidence of making some reference to practice in the local government service in general. Finally, it was suggested that we might wish to distinguish between the managerial functions of the Civil Service and its functions in evolving advice to Ministers. We have decided not to make any such explicit distinction, but it will be seen that most of our evidence in fact relates to managerial matters.

General Comments on the Civil Service

2. Our remarks under this heading concentrate on two questions: recruitment and structure. We look first at recruitment to the Clerical and Executive grades, and we feel that some procedural changes are highly desirable in this field. Young people like to know that they have a job to go to before they leave school, and the Civil Service suffers by comparison with private employers in that it does not give an unconditional offer of employment until examination results are known. We believe that it would be better if recruitment to the Civil Service were done in April/May with a late entry in September. Selection in April/May might be by interview and examination, test, or headmaster's report. We feel, however, that the present arrangements for the dissemination of information about Civil Service careers are good.

3. We think that it is unrealistic for the Civil Service to expect to recruit many young people with five "O" levels, as most young people with this level of ability go on to "A" level. There are able young people from the fifth form

of modern schools who at sixteen have two or three "O" levels, and it is thought that it might be possible to expand recruitment from this source with a graded salary structure comparable to that of the new Local Government Clerical grades. Those with five "O" levels could be recruited into the intermediate grade. As a final comment on the Clerical grades, we feel that there should be opportunity for promotion from the Clerical to the Executive Class.

4. As far as the Executive Class is concerned, we are in agreement with the procedure of recruitment at about the age of eighteen, but believe that in order to recruit people from the sixth forms the Civil Service will have to offer training on a "sandwich" basis if it is to compete in popularity with the private sector. Consideration might be given to reducing the educational requirement to one "A" level with one or two other subjects studied to the same level. In addition, provision might be made for a late entry into the scheme for people who had not got their university entrance requirements. Sandwich course training might also be offered to people who had failed to complete university courses. In addition to these points, we feel that there should be adequate opportunity for promotion from the executive to the Administrative Class.

5. With regard to the Administrative Class, we would not wish to question the effectiveness of the present system of recruitment at honours degree level. However, we do consider that there is within the Administrative Class an undue preponderance of officers whose higher education has been in an arts rather than a scientific subject, and we believe that in general professionally qualified staff should have the opportunity of transferring to the Administrative Class at about the age of thirty. The general pattern we envisage is for entrants to the Administrative Class at honours degree level to have a junior administrative status until about the age of thirty; thereafter they would share with the officers transferred from the professional staff the responsibility for senior administration. It is appreciated that professionally qualified staff may feel at some disadvantage in administrative work after they have transferred, as compared with those graduates who have served an apprenticeship in this field. However, we feel that such a disadvantage could be overcome with little difficulty at the age we have suggested; for an older person there might well be greater difficulty.

6. In considering our evidence relating to the senior administrative staff of the Civil Service, we have reached conclusions which we recognise to be controversial. It is our view that restrictions need to be put on the mobility of senior staff within the Service. We would accept that there should be complete mobility of staff up to the level of Assistant Secretary; indeed we believe that such mobility is valuable in enabling a wide experience to be accumulated. However, from the level of Assistant Secretary upwards we believe that mobility should be confined within a small group of departments of the Civil Service, chosen so that experience in any department in the group would be of direct relevance to service in another. As an example of such a group we would instance the Department of Education and Science, the Ministry of Housing and Local Government and the Ministry of Health. Furthermore, from the level of Under Secretary upwards we would hold that even this limited mobility between departments should cease. We recognise that our rejection of the

principle of complete mobility is in marked contrast to much Civil Service thinking on this subject, but are convinced that the increasingly complex nature of the responsibilities of the Civil Service must lead to a reconsideration of the traditional view in this matter.

7. As a final comment on the Civil Service in general, we would emphasise the importance of in-service training. We appreciate what has already been done in this field but would propose that activities be extended in order that staff may be fully prepared for promotion. We would lay particular stress on the importance of adequate training for junior staff in order that such staff may have the opportunity of gaining a wider view of the Service as a whole.

Department of Education and Science

8. We now turn to the Department of Education and Science, to which in certain aspects we may be said to stand in the relationship of "customer". In the first instance we would like to make some comments of a general nature. We realise that there is in the public service generally a shortage of administrative and specialist staff, and also of more junior staff, and we appreciate that the Department is affected by this shortage, as are many local authorities. However we are concerned at many instances in our experience of excessive delays at the Department, for example in the consideration of Authorities' schemes for comprehensive education submitted following Circular 10/65, and we are convinced that staffing standards must be reassessed to ensure that officers of the Department are not grossly overworked. The increased pressure of work has clearly been felt not only by the administrative staff but also by H.M. Inspectors, and has resulted in many areas in a marked decrease in the frequency of inspection of schools.

9. A further point we would wish to raise concerns communications within the Department. While appreciating that pressure of work may often lead to a lack of time for informal consultation between senior officers, we would emphasise the value of such consultation.

10. We now examine a question with which we are more closely concerned, that of communication between the Department and Chief Education Officers and their staffs. In the first instance, we are in general satisfied that communications in this field are good, and we believe that the personal contact between Chief Education Officers and senior officers of the Department has often been of great value in facilitating the discussion of matters of policy and the implementation of decisions. We would like to emphasise the value of adequate informal contacts between those concerned in the taking of a decision, and those who will be principally affected by it, before the decision is finally announced. It is a matter of concern to us that in some cases decisions or policies have been announced which have given rise to conflicts in which departmental and personal prestige have become involved, conflicts which might have been avoided had there been adequate prior consultation.

11. The question of communications is also important in the final matter we will be discussing, the position of the territorial principal. It will be appreciated that this officer has a particularly close relationship with the Local Education Authority, and we would therefore like to comment on this matter in some

detail. In the first place, we are convinced that every territorial principal should have spent a period—of say three or six months—of seconded service with a Local Education Authority, in order to become familiar with Local Authority procedures. Moreover, we consider that territorial principals should in the ordinary course of their duties spend a considerable amount of time visiting the Local Authorities with which they are concerned, and becoming familiar with their areas. We are very much concerned at the rapidity of the change of staff at territorial principal level, and would point out that this leads to a wastage of valuable experience gained by officers in respect of particular areas. It is our view that a territorial principal should stay in his post for at least five years so that he can get to know his area really well, and be able to base his decisions and advice on such an intimate knowledge. It follows that the question of responsibility should be so dealt with that a Chief Education Officer can be assured of a quick answer on most of the questions which arise in the course of his dealings with the territorial principal.

12. Our final comment is on the need to institute and develop opportunity for interchange between L.E.A. and Departmental staffs at all levels, but perhaps especially at the level of Principal. The Civil Service and the local government service spring from different roots and have vastly different backgrounds, traditions, and procedures. The official who knows what is likely to be involved in the other man's office, be it the Town Hall or the Department, is going to do his job better and with less chance of friction or misunderstanding. At times like the present, when there is so much to be done and so little time in which to do it, exchanges of staff tend to be regarded as unpopular. But it is in times of stress and rapid change that the need for mutual support and sympathy is most apparent. Interchange has been, and remains, probably the only effective way in which practical experience of the other man's problems can be gained.

MEMORANDUM No. 55

submitted by

THE ASSOCIATION OF FAMILY CASEWORKERS

February, 1967

1. The Association of Family Caseworkers is the professional association for caseworkers working with families, either in independent or statutory agencies. We are only a small Association of less than 200 members but we have been fortunate in the quality of our members who are extremely active in the social work profession in various ways, in the field, in teaching and on the Standing Conference of Organisations of Social Workers.

2. My Association had originally intended to submit independent evidence to your Committee. On reflection its council has decided to support the evidence which has already been submitted by the Association of Child Care Officers,¹ for two reasons. The first reason is that we feel that social work associations should come more closely together and as the experience of our members is very similar, we feel that this is a simple way of showing our unity. The second reason, which is an obvious one, is that we hope to make your task a little easier as, no doubt, you will have had a great deal of evidence to read, some of it repetitive.

3. We would like especially to support the recommendations summarised on page 451 of the Association of Child Care Officers evidence, particularly recommendation 2, that managers and local office staff in the Ministry of Social Security should be specially selected and trained and 3, that social workers employed in a social work capacity in the Civil Service should have a recognised professional social work qualification. We also feel that recommendation 4, which suggests that geographical areas covered by local offices of the Ministries of Labour and Social Security should be reviewed with the objective of relating them more closely to local authority areas, is an important one.

4. Finally, I should say that not all the evidence from our members is critical. In Glasgow for example, some of our members find officers in the Ministries very helpful in solving some of the individual problems of clients known to them.

¹ Memorandum No. 53.

MEMORANDUM No. 56

submitted by

THE ASSOCIATION OF MUNICIPAL CORPORATIONS

February, 1967

1. This memorandum is submitted to the Committee appointed under the chairmanship of Lord Fulton "to examine the structure, recruitment and management, including training, of the Home Civil Service".

2. The Association is a voluntary organisation which has in membership all the county boroughs, all save one of the non-county boroughs, the City of London and all save one of the London boroughs, together with the Cities of Belfast and Londonderry and seven other boroughs in Northern Ireland.

3. The Association was furnished with a note setting out very broadly the main aspects of the Civil Service which the Committee are examining, and the Committee suggested that it might also wish to consider its evidence, where appropriate, from one or more of three points of view:

- (a) As a "customer": e.g., as an organisation or body which has dealings with the Civil Service; how good a service do you or your members/member institution get?
- (b) As an organisation or body with analogous problems with relation to your own structure, recruitment and management.
- (c) As an independent observer.

4. This memorandum does not purport to deal with all the aspects of the Civil Service which the Committee are examining or even to cover the whole scope of the particular points with which the Association has been asked to deal. This evidence is necessarily submitted almost exclusively from the standpoint of a "customer". The Association came into existence over ninety years ago to be the watchdog for the cities and boroughs of this country over the activities of Parliament and the Central Government. Although the range of its activities has extended, this remains its chief function and from very early days a close working relationship has grown up with all the departments having regular dealings with local authorities. Contacts are, however, almost exclusively "across the table", not from the same side. When the Association has contact with a department it is in a representative capacity: because the department has something to say to the cities and boroughs, something to propose to them, something on which views are needed, or, if the approach is to the department, because the cities and boroughs—or some of them—have something to say to the department—a request for legislation, for changes in administrative procedures, for Government support, for new or increased grants. In the nature of things the Association is rarely, if ever, an independent observer.

5. Similarly it must disclaim the role suggested in sub-paragraph (b) quoted in paragraph 3, above. The establishment of the Association itself is small, with no relevant points of comparison with the departments of central Government in relation to structure, recruitment or management. So far as its members—the city and borough councils—are concerned, once again the differences are more noticeable than the similarities. The local government service is a convenient and compendious expression by which to refer to the separate establishments of the 1,500 or so local authorities of England and Wales, whereas the Civil Service is structurally unitary. The channels of recruitment to the Civil Service are centralised; recruitment to the local government service is preponderantly local. Training of recruits to the Civil Service is organised on a common pattern; training in the local government service is frequently local, and, save in so far as it is in preparation for some professional or other national examination, may vary in availability, content and duration according to the policies of the local employing authority and the facilities for the provision of such training existing locally or within a reasonable distance. Again, consequent on the responsibilities of the local authority for the performance of its statutory functions, the part played by the Council in decision-taking and the oversight of day-to-day administration is usually much more detailed than that played by departmental Ministers.

6. The Association, including in its membership, as it does, the county boroughs of England and Wales—the all-purpose authorities—covers the whole range of local government activities, and on behalf of the cities and boroughs of this country deals with Government departments in relation to those activities; but it has few, if any, dealings with a number of departments, such as the Ministry of Defence, the Commonwealth Office, the Scottish departments, etc. It is able, therefore, to speak only of those departments with which its members are concerned. The situation is, moreover, somewhat complicated by the fact that, as has been indicated above, the Association represents the whole range of cities and boroughs in England and Wales; this means that it includes in its membership the largest city, Birmingham, with a population of more than a million, and the smallest non-county borough, Montgomery, with a population which reached 1,000 in 1966 according to the Registrar-General's recently published annual Estimates of Population. The experience of different boroughs at different points within this population range may be notably different, and attitudes to departmental activities may vary widely. Something which might be regarded by a large borough as needless interference in their local affairs might be accepted, or even welcomed as valuable assistance, by a small borough not having on its staff a full range of technical experts.

General

7. At the very outset of its evidence, the Association would wish to place on record its appreciation of the excellent relationship which it has with the Government departments with which it has most to do—in particular, the Ministry of Housing and L.G. and the Home Office. There are, naturally, differences in its relations with different departments. With some departments the occasions for contact are relatively infrequent and there are, therefore, fewer opportunities for the staffs and other representatives of the Association to develop that relationship of mutual respect and personal understanding with members

of the department which is such an important aid to discussions which must often be of a highly confidential nature. Having in view what it will be necessary to say in the next paragraph, it is thought desirable that the affirmation with which this paragraph begins should be made quite firmly at the outset.

8. It is axiomatic that local government is a vital, indeed the Association would say essential, part of the government of this country and it is important that the Civil Service should accept it as such and should be careful to deal with individual local authorities as responsible parts of government. The underlying principle was clearly enunciated by the L.G. Manpower Committee of 1949 in its memorandum of guidance to sub-committees, where it stated the general approach as being:

“to recognise that the local authorities are responsible bodies, competent to discharge their own functions and that, though they may be the statutory bodies through which Government policy is given effect and operate to a large extent with Government money, they exercise their responsibilities in their own right, not ordinarily as agents of Government departments. It follows that the objective should be to leave as much as possible of the detailed management of a scheme or service to the local authority and to concentrate the department's control at the keypoints where it can most effectively discharge its responsibilities for Government policy and financial administration.”

9. Although, following the two reports of the L.G. Manpower Committee of January, 1950 (Cmd. 7870), and December, 1951 (Cmd. 8421), there were some relaxations in central Governmental control over local authorities, and further relaxations of controls has been embarked upon piecemeal from time to time since then (notably following the introduction of the general grant under the L.G. Act, 1958), and although lip service has been paid to the principle underlying the passage quoted above, in practice the tendency has been to extend and intensify controls on the activities of local authorities. This interference by central departments in the affairs of local authorities has unquestionably been encouraged by Parliament. Ministers will be less likely to check their Civil Servants' encroachments on local autonomy so long as they themselves are subjected to questions in the House relating to matters which are truly the responsibility of local government. It is much more rare today than it was twenty years ago for Ministers to reply to Parliamentary questions that the matter is beyond their jurisdiction and is one for the local authority concerned. It is an ironical commentary on the current approach that in the L.G. Act, 1966, which purports to refashion the former general grant, which has as “a main aim . . . to increase the independence of local authorities in the raising and the spending of their money so far as it is practicable to do so” (L.G. Finance [England and Wales], July, 1957—Cmd. 209, paragraph 5), the appropriate Ministers are given more far-reaching powers than have ever been conferred on Ministers previously to regulate the standards of all local authority functions, whether or not such functions are grant-aided, and whether they arise under the general law or under some local Act.

10. This is only one example of the responsibility of Parliament for the extent to which local government is subjected to interference from the centre and for many of the time-consuming procedures which delay local authorities in getting on with the tasks which have been assigned to them by Parliament

itself and which often add considerably to the cost of local administration which has to be borne by the ratepayer and taxpayer. As a general rule, Civil Servants have no powers of control over local government beyond those conferred by statute. Sometimes these are specific, as, for example, the requirement of consent to borrowing under s. 195 of the L.G. Act, 1933, or the confirmation of byelaws under s. 250 of that Act. In such cases every one concerned—Parliament, the Government departments, the local authorities—know what is laid down and the procedures, however irksome they may often seem, are usually well established. Where, however, a Minister is made subject to a comprehensive duty in regard to some service—such as the duty imposed on the Secretary of State for Education and Science by s. 1 of the Education Act, 1944, "to promote the education of the people of England and Wales and the progressive development of institutions devoted to that purpose, and to secure the effective execution by local authorities, under his control and direction, of the national policy for providing a varied and comprehensive educational service in every area"—or given very general powers—such as that conferred under s. 42 (1) of the Children Act, 1948, which requires local authorities to exercise their functions under that Act and associated enactments "under the general guidance of the Secretary of State"—the departments are invested with the widest, if ill-defined, powers to intermeddle in what a local authority is doing without the authority being able to challenge a department's status to do so. It was doubtless in the first flush of powers of this kind that the Minister of Education in Administrative Memorandum No. 253 of 11th November, 1947, asked local education authorities in a quite detailed way to give instructions about the peeling and "eyeing" of potatoes in the school meals service with the object of reducing wastage during potato rationing, and the Home Office control over buildings for the child care service extended to distances between pegs in cloakrooms (a degree of control over detail which was very soon discontinued). These examples belong to the period before the reports of the L.G. Manpower Committee, but they clearly show the lengths to which Civil Servants are able to go within their statutory powers if they are minded to do so.

11. Again, Parliament may impose on the appropriate departments and local authorities time-consuming procedures. These are frequently intended to protect the rights of the citizen (and with this general aim the Association has sympathy), but some go further than is strictly necessary, and at times an over-sensitive concern for the rights of the individual may work against the interests of the community. One example of this is to be found in paragraph 4 of Schedule 1 to the Clean Air Act, 1956, which requires the Minister of Housing and L.G., before confirming a smoke control order under s. 11 of the Act, to cause a local inquiry to be held if any objection to the confirmation of the order has been received and not withdrawn, despite the failure of the objector to specify the grounds of his objection, and despite the possibility that he may not even attend the inquiry when it is held. This may involve a delay of many months. The interests of an individual in such a case could be amply protected by a provision such as that contained in paragraph 4 (2) of Schedule 1 to the Acquisition of Land (Authorisation Procedure) Act, 1946, which empowers a Minister in circumstances of this kind, instead of causing a local inquiry to be held, to give the objector an opportunity of appearing before and being heard by a person appointed by the Minister for the purpose: a much more speedy procedure.

12. In the experience of the Association the Civil Servants on the administrative side are competent and well-informed from the Government viewpoint on the matters with which they have to deal, and, in particular, the upper reaches of the Administrative Class are of a very high calibre. With the exception, however, of the more senior officers of the Ministry of Housing and L.G. and, to a lesser extent, the Home Office, there is all too often, at all levels of the Civil Service, a regrettable lack of adequate knowledge of local government and of how local authorities are organised and carry out their functions. With this, or perhaps as a part of it, is often associated a failure to realise that local authorities are multi-purpose bodies who, in the nature of things, must have regard to wider issues when taking decisions in regard to particular functions. It would be generally advantageous if Civil Servants who have dealings with local authorities and, in particular, those who have responsibility for taking decisions and advising Ministers, were to visit local authorities, see what is going on, and attend meetings of committees and of the council. It may be that one of the reasons why this happens so rarely is that local authorities do not invite Civil Servants for visits of this kind, but there would be little difficulty in arranging such invitations if it were known that they would be welcomed in the departments.

13. The Association itself has less to do with the professional and technical officers of the Government departments than with the administrative side. It has, however, gained the impression from its members that the quality of the technical officers in the Civil Service is often not so satisfactory as that of the officers in the Administrative Class. The complaint is sometimes made that schemes prepared in local authorities with highly-qualified technical officers are subjected to scrutiny and criticism by officers in Government departments less well qualified than those who prepared the schemes. This can become a source of irritation and, when coupled with any of the irksome controls which still exist, can become a source of real grievance to the local authority itself. It is understandable that the limited scope of the activities within which these officers are able to exercise their professional skills may well discourage the adequate recruitment of professional and technical officers of the highest qualifications; and, further, that the limited functions which the officer is called upon to discharge may tempt him to concern himself with matters of detail which are really beyond the scope of departmental responsibility. Such temptations should be, but are not always, resisted, and when they are not the local authority's view of the department concerned will suffer, and suspicions of the department may be engendered which undermine future good relations between it and the local authority.

14. Under this general heading the Association would comment that, from its members' standpoint, what appear to be needed in the Civil Service are a better knowledge of local government, a recognition that local government and the Civil Service (as a part of central Government) are engaged in what is fundamentally the same task, even though they may proceed in different ways, and an attitude of confidence which might most appropriately be evidenced by a renewed attempt to clear up the existing clutter of unnecessary controls by central Government departments over the activities of local authorities.

15. The Association would conclude its present comments on the ordinary relationship of the central Government and local authorities as partners in

government with one further observation. As has been stated in paragraph 4, above, when the local authority Associations meet Civil Servants it is always "across the table"; but there are occasions when they should be on the same side. For example, when there are discussions with trade and other interests about, say, some regulations which the local authorities will have to enforce, it would be better if the representatives of the department concerned and of local government could reach an understanding separately and in advance about the issues arising, and then meet the other interests, preferably together, rather than that the representatives of the local authorities should merely be invited to a general meeting of all the interests to be consulted, and on a common footing with the others, when it may be difficult to raise local government criticisms or suggestions on the proposals lest this should embarrass the department by appearing to add to the body of criticism offered against proposals which are basically acceptable to or even welcomed by the local government interests in general although criticised in minor detail.

Structure

16. This is a subject which may be regarded from two standpoints—constitutional structure and establishment structure. Dealing first with constitutional structure, the Association wishes to place on record its view that the Treasury should itself become a participant in discussions with the organisations representing local authorities when financial issues are involved. There are occasions when decisions on questions of vital interest to local authorities are taken by the Treasury and the departments concerned before the effective discussions are concluded and, despite the loyalty of the departmental officers engaged in the discussions, it becomes apparent from the nature of the arguments deployed and the intransigent manner in which those arguments are repeated that the spokesmen are concerned merely to defend a predetermined position, however strong the case which is made against it. It is most unsatisfactory from the standpoint of those representing the local authorities (and, it may be imagined, from the standpoint also of the departmental mouthpieces) where discussions have to take place in the absence of the people who are really responsible for the decisions taken.

17. Difficulties also arise where more than one Government department is concerned with a particular project or "combined operation". The theory that "Government is one and undivided" often breaks down when it comes to securing all the necessary approvals and consents involved in a complex scheme. Interdepartmental consultations can, understandably and quite properly, go on without the knowledge of the local authority concerned; but the local authority cannot always know whether or not necessary interdepartmental discussions are in fact taking place. It may have no idea which department is in fact holding up the necessary approvals to the scheme and can therefore take no direct action to expedite matters. This can be frustrating in the extreme. If this difficulty is to be eliminated—and in view of the increasing complexity of many schemes which local authorities are having to carry out, particularly in connection with the redevelopment of central areas, development schemes for the reception of overspill, etc.—it is important that there should be efficient machinery for interdepartmental discussion and the taking of decisions expeditiously which will be recognised in all the departments concerned, and that

the local authority should be kept informed about what is going on. Once a scheme has been accepted in principle by the department with the major interest in it—most commonly this will be the Ministry of Housing and L.G., but for some large road schemes it might be the Ministry of Transport—a senior officer of the department should be made responsible, not merely for “acting as a post office”, but for seeing that all necessary approvals are obtained from other departments with the minimum delay. It should not be possible for one department to hold up on a technicality, or even on grounds of priority, a scheme which has been approved by the other departments concerned and could go ahead.

18. Turning to the establishment aspect of structure, from the point of view of the members of the Association emphasis must be laid on the importance of obtaining not only a favourable decision but also a prompt one. With the present vertical organisation within departments there is frequently difficulty in making contact with an officer of sufficient status to ensure that prompt decisions are in fact reached. To some extent, this may be inevitable, in that there must always be insufficient officers of the “decision-taking” level to deal with all the matters in hand without some preliminary investigation and “devilling” by less responsible officers. Nevertheless, with the present structural organisation of departments, the impression is created that in too many cases time is taken up unnecessarily before a matter reaches the senior officer who can often, when it comes to him, dispose of it fairly quickly.

19. The regional organisations of several Ministries have during the last few years been re-established, or, where already existing, developed, particularly in connection with the regional economic planning boards. If full use is to be made of the Civil Servants dispersed to regional centres in this way, they should be given much more authority to take decisions without reference to Whitehall.

20. On the actual internal organisation of the various departments in the Civil Service the Association has insufficient information and direct experience of its working to make any useful comment. It is thought, however, that it would be very good both for the Civil Service and for local government if there were greater freedom for officers to move from one service to the other. It is realised, of course, that statutory arrangements already exist for preservation of pension rights, and so on, but these are not the only factors involved. The horizontal organisation of the Civil Service should, therefore, be flexible enough to allow for a ready interchange in both directions between the local government service and the Civil Service.

Recruitment

21. For the reasons given in paragraph 5 above, the Association has little that it can usefully offer on the subject of recruitment. It is well aware of the difficulties currently being experienced by local authorities in securing suitable recruits for the local government service and its impression is that the Civil Service, with its tradition of recruitment from the universities, is getting a much better share of the high quality output of the British universities, as well as of the young people recruited from secondary schools and places of further education. In the interests of both the Civil Service and local government—and of the standard of responsible citizens—it is probably desirable to stress

the need for more positive emphasis on government, both central and local, in the senior classes of the secondary schools of this country. Interest in such subjects might be encouraged by the inclusion of more directly relevant examinable subjects in the school leaving examinations.

Training

22. As has already been said, the Association attaches considerable importance to a close personal acquaintance with local government on the part of members of the Civil Service who have to deal with local authorities. In this context, however important an academic knowledge of the law and practice of local authorities may be, direct personal experience of the working of local authorities is of the highest importance. There have already been instances where groups of entrants to the Civil Service have as part of their training been attached to a local authority for a few days in order to obtain at first hand a knowledge of the way in which local authorities work. This is something which should be developed to cover all entrants to departments having dealings with local authorities. Further visits by more mature officers, of a more extended character than those mentioned in paragraph 12, should also become a part of the accepted practice, as experience gained in dealing with local authorities from the Civil Service end should equip such an officer to obtain a deeper insight into the workings of the authorities concerned. It is understood that already exchanges of a somewhat similar kind take place between officers of the Ministry of Aviation and industry.

Mobility

23. Reference has already been made to the desirability of facilitating and encouraging movement between the Civil Service and the local government service. Such moves might of course be on a permanent basis. There should also be provision for temporary exchanges, partly to foster the acquaintance of officers in one service with the workings of the other and also because such exchanges should be more easy to bring about as no salary or pension troubles would be likely to arise.

24. There appears to be a much greater degree of mobility between departments and between sections in the same department in the Civil Service than is normally the case in local government. Within limits this is a good thing; but too frequent changes are undesirable especially when several officers move more or less simultaneously from the same section and there is a consequent loss of continuity. It is the impression of members of the Association that, particularly among the younger Civil Servants, transfers from one section to another are made too frequently. From the point of view of the "customer", it can be somewhat disconcerting when the officer with whom one has been dealing and who knows all the details and any peculiar circumstances of the matter in hand is removed and an entirely new person takes his place.

Conclusion

25. The Association is very conscious that the foregoing is only a slight contribution to the work of the Committee, and that as indicated at the outset the comments it contains are based almost entirely on the viewpoint of a "customer"—albeit a partner also. The Association would end as it began

by laying stress on the idea of partnership, that is, of both the central Government and local government being concerned together in a common enterprise with common aims, and emphasising that the natural consequence of this relationship should be one of positive co-operation, with the Civil Service on behalf of central government, instead of raising obstacles, joining more readily with local authorities in seeking and finding ways and means whereby the latter can bring to fruition their schemes for the benefit of their localities and their inhabitants.

MEMORANDUM No. 57

submitted by

THE ASSOCIATION OF UNIT TRUST MANAGERS

December, 1966

Introduction

1. The Association of Unit Trust Managers, representing over three-quarters of the industry, has pleasure in responding to the invitation to submit evidence to the Committee on the Civil Service. Its representatives will be glad to give any further information required, and suggest that the development of the industry in recent years may provide an opportunity for the Committee to look at the way in which the Board of Trade has responded to a rapid growth of activity in a field in which it has unusually wide discretionary powers.

2. For this reason, the Association has put the main emphasis on our experience as a customer of the Board of Trade, but attention has also been directed to relationships with two other Departments. We have included a number of examples in our evidence. The objective in doing this has not been to attempt any "special pleading", but simply to illustrate some of our particular experiences.

3. The earlier history of the industry, and a description of its relations with the Board of Trade, was given in the evidence submitted by the Association, then comparatively newly formed, to the Company Law Committee, which met under the Chairmanship of Lord Justice Jenkins in 1960, and a copy of this is annexed.¹

4. Operation of unit trusts in the United Kingdom is subject to the ordinary law of trusts and to the terms and conditions contained in trust deeds approved by the Board of Trade under the Prevention of Fraud (Investments) Act, 1958. This consolidating Act specifies matters on which the Board of Trade require to be satisfied before they authorise a trust and regulations made under the Act have been issued and indicate the manner in which the Board of Trade consider trust deeds should specify the specific matters. However, the Board of Trade take the view that, apart from the specific matters, they may refuse to authorise a trust if the trust deed does not comply with any requirement they may like to make. The Board's view has received the support of the Courts.

5. In making its recommendations the Company Law Committee in 1962 doubted the wisdom of leaving control completely within the unfettered discretion of the Board of Trade. It contended that it should be possible after thirty years' experience for the Board to draft precise rules for unit trusts which

¹ Not printed.

would be of general application and subject to Parliamentary control, and it accepted that there was some substance in the complaint of the Association that the Board's absolute powers had perhaps led it to concern itself too much with detail.

6. Since this Report, no amending legislation has taken place. The situation of control is unchanged, whilst expansion in the industry has been rapid. At the end of September, 1966, total funds were over £550 millions and there were nearly 1.6 million separate "holdings" owned by members of the public.

7. There may be occasions when individual Managers are critical of the Board, but our day-to-day experience, and that of our advisers, indicates considerable satisfaction with the service that we have obtained over a period of years. We consider that, in practice, the Board has acted in a responsible manner in making changes in the rules. In comparative terms it has been the most helpful of the Government Departments with which we make contact. This has been assisted by the calibre of the staff with whom we have dealt.

Current Relationships—The Board of Trade

8. We have reviewed the time taken to process new trust deeds through the Board's machinery. In overall terms, we have not found this to be unreasonable. A contributory cause of delay may well have been in handling proposals by new management companies, but this would be justified to ensure the maintenance of existing standards.

More frustrating has been the effort involved in arguing small points of detail which have not been fundamental to the industry but which the Board have regarded suspiciously—in the light of their overall regulatory responsibilities—as possibly setting a precedent. From time to time, we have been only too aware that behind the most helpful principal lurks a legal department.

9. More recently, the Association has started holding regular meetings with officials of the Board of Trade, as indeed it also holds joint meetings with representatives of the various Trustees. We regard these meetings, and the mutual understanding that is developing from them, as a most important development for the future. The present "absolute" powers of the Board have few precedents elsewhere in the financial sector. Because of this exceptional position we necessarily place great importance on full communication and confidence between the Board of Trade and unit trust managers. It may be that, as we would hope, control of the unit trust industry will move towards a more orthodox position but this, of course, would not reduce the case for full intercommunication.

10. It may be relevant for us to comment—in a wider context—on the division between Parliament and Government departments in initiating regulatory controls. No doubt the increasing pressures on the Parliamentary timetable are a contributory factor but it would be a frustrating experience if even the most positive intercommunication between departments and industry is nullified by lack of any necessary legislative follow-through.

Current Relationships—The Inland Revenue

11. We have been disappointed over recent months with our experiences with the Inland Revenue. This is not because we have failed to achieve the

easements in recent legislation which we sought, but we have gained the impression that the officials at technical level did not understand the way our industry operates. The delay so far of more than twenty months at the Board of Trade in producing revised yield requirements to take account of the Finance Act, 1965, is partly the responsibility of the Revenue.

The Treasury

12. We would welcome closer contact with the Treasury, where at present there appears to be little understanding of the importance to the economy of a strong investment-management industry. We should like to cite the complete absence in the fiscal system of any provision for the economic management in London of permanent non-resident investment funds. If the problems were better understood and proper provisions made, the resulting management charges from this kind of development could constitute a useful invisible export. If tax-exemption were to depend on both drawing the funds and making the investments abroad, there need be no potential strain on the reserves. At present some Managers have had to set up operations in such places as the Channel Islands and the Isle of Man in order to cater for demand from non-residents. The Treasury's apparent lack of concern with long-term investment management appears to contrast oddly with its keen interest in the investment of short-term balances.

Other Departments

13. The Association does not consider that the relations of the industry with other Government Departments differ sufficiently from those of other bodies submitting evidence to warrant comment.

Summary and Conclusions

14. (a) By far the most important aspect to emerge from our review of our relations with the Board of Trade and with other Government Departments is the need for positive channels of communication with industry.

(b) From the point of view of a strictly regulated industry the Civil Service machinery has stood up well to the pressure of very rapid expansion of unit trust activity, but its tendency to get jammed with mere details has caused more important issues to be overlooked or delayed.

(c) On the wider aspect we suggest that the Board of Trade has been placed in a most awkward position by assuming powers that Parliament never intended that it should have. The resulting brief naturally has been difficult to interpret and it is perhaps inevitable that lack of leadership has resulted. In our view this pattern is likely to continue until authorised unit trusts obtain more specific statutory recognition, and the requirements relating to them are embodied after consultation with the industry in orders approved by Parliament in the normal way.

MEMORANDUM No. 58

submitted by

THE BRITISH ELECTRICAL AND ALLIED MANUFACTURERS' ASSOCIATION

February, 1967

Introduction

1. The Electrical and Allied Manufacturing Industry has an output of £2,400 million per annum, employs 850,000 workers and has exports now reaching a figure of £400 million per annum. The British Electrical and Allied Manufacturers' Association (Inc.) represents a major proportion of the manufacturers concerned and its activities extend over the whole Industry. The Association is organised in eleven operational divisions in accordance with the product groupings and customer requirements as set out in the Appendix.¹

2. The industry covers a very wide range of manufacture and is a substantial supplier to the nationalised industries and to Government departments direct. It also has close and regular contacts with Government departments and with the national Research Establishments.

The Association, therefore, has been in a particularly strong position to see the changing functions of Government over the last thirty years and, in consequence, the changing demands which have fallen on the Civil Service.

3. The B.E.A.M.A. has been party to the Memorandum submitted to the Fulton Committee by the Confederation of British Industry with which it is fully in agreement but, in view of the special position the industry occupies, it also desires to submit on its own account some particular views of the Association.

4. The Association's main direct contacts with Government Departments are through the Ministry of Technology (the Industry's sponsoring Department), the Treasury, the Department of Economic Affairs, the Ministry of Power, the Board of Trade and, to a lesser degree, the Ministry of Defence.

5. The B.E.A.M.A. is very appreciative of the co-operation and help it always receives from these Departments at all levels and makes full use of the arrangements for consultation which are readily available.

The changing role of the Civil Service

General

6. A first essential in examining the structure, recruitment, management and training of the Civil Service is to establish clearly the function the Government desires the Civil Service to perform.

¹ Not printed.

7. There is no doubt the increasing burden laid on the Civil Service in connection with the nationalisation of industry, the sponsoring of major technical programmes, and the running of research establishments, creates a role in the future for many Civil Servants very different from that which they have performed in the past.

8. Now that the Government is responsible for a number of the country's major industries and is itself either directly or indirectly the major customer of many industries, the long established practice of training administrative Civil Servants to cover any type of Government activity should be reviewed so as to have men with specialist knowledge of the industry for which they are responsible.

9. There is danger in the growing intervention of Government in the affairs of the Industry. This in itself leads to the setting up of a large bureaucratic machine and a proliferation of advisory committees, thus increasing the national overheads and diverting leading and experienced executives from the professional jobs in which they are skilled, blurring the lines of responsibility and delaying essential decisions.

10. In order to avoid this, it is important not to lose sight of the fact that the Government's job is to govern and it is here that the Civil Service role is performed. It is industry's job to run industry itself, whether in private or public ownership, and take responsibility for results.

Sponsoring Function

11. The Civil Service through sponsoring departments is now very closely concerned with the health of the country's industries and their performance in export markets.

12. These functions require a close knowledge of, and association with, the industries concerned in order to ensure that relevant Government decisions are taken with the full knowledge of their impact on the industry involved. This becomes increasingly important when in many respects public purchasing virtually becomes a monopoly and the decisions arrived at may be fundamental to the health of the industries concerned.

13. Decision making in these fields becomes so important that it raises the question as to whether a proportion of senior Civil Servants concerned with such decisions should not themselves have some specialist knowledge and experience. This is particularly important in such areas as the Ministry of Technology, including Aviation and the Board of Trade, where decisions can often be more a matter of judgment than analytical analysis and decisions have to be taken at an early date and quickly, if commercial initiative is not to be lost.

14. It is also relevant here to consider whether the responsibility of the monopoly purchaser has ever been clearly defined in relation to private enterprise in a mixed economy. Certainly the welfare of the supplying industries, many of them the country's major exporters, is of great national importance and the policies of public purchasing authorities in relation to industry is of key importance and should be examined by sponsoring departments.

Responsibility for Nationalised Industries

15. The problem of these nationalised industries also raises the question of the responsibility of Ministers in relation to them. This itself reflects on the function of the Civil Servants in the relevant departments. Is it the Minister's function to deal with Parliament and broad major policies (i.e. the political functions), the Civil Servant being responsible for the executive action through the department in conjunction with the Board of the nationalised industry concerned (i.e. the executive functions)?

Or is the Minister himself to combine both the political and executive functions through the Chairman of the Board who he himself has appointed?

It is believed that the first alternative is right and that it is not for the Minister to combine political and executive functions.

16. This problem of responsibility determines the role of the Civil Servant concerned and, therefore, seems an important matter which should be carefully studied by the Fulton Committee.

Research Establishments

17. Large sums of money are spent in Government establishments on research projects, absorbing a substantial proportion of the country's resources in highly qualified manpower.

The administration of these establishments has to be closely geared, both on the one hand to Government policy and on the other hand to the needs of industry, and decision making in this area obviously requires a high technological content.

18. There is also a major problem in relation to the manning of Government research establishments in isolation from other activities, as there is no natural outlet for men who, as the years go by, wish to change into other fields, such as engineering, manufacture and, ultimately, management.

This lack of outflow and consequently intake mainly affects the middle echelon which thus becomes too inbred. This seems a matter which needs study.

19. This raises the question as to whether Government establishments should, in fact, be as big as they are, and whether it would not be better for a higher proportion of the work to be done in industry where natural career prospects for the personnel concerned exist.

Civil Service recruitment

20. It is believed that recruitment into the Administrative Class of the Civil Service does not place sufficient emphasis on technological graduates and it is thought that because implementation of all scientific projects has to be accomplished by technologists it would be wise for the Civil Service to recruit a wider cross-section of this class of employee.

21. The increasing technical function of Government raises the question as to whether there should not be a specific class of Civil Servant capable of reaching the top, but based on original technological foundations.

In this respect it could be interesting to study the French system based on training through the Ecole Polytechnique which seems to be providing the French Civil Service with a class of man well equipped to handle the technological functions which are falling on the Civil Service today.

22. It is believed that at present the Administrative Class is recruiting on too narrow a basis and that a greater degree of injection from industry would be helpful.

23. Because of the need for a knowledge of industrial problems and of business procedures in the Administrative and Executive Classes, some interchange of personnel between industry and the Civil Service is recommended. The full benefit of this is only likely to be obtained if some of the interchange occurs in the middle age groups between people of experience and it has to be recognised that because industry is short of really experienced executives the interchange can only be limited.

The effects of such an interchange between industry and the Civil Service will take time to become effective and therefore should be initiated as soon as possible.

Training

24. The Association strongly supports the need to devise ways for appropriate Civil Servants and Industrialists to be trained together and every opportunity should be taken to bring this about. This is partially achieved by the two business schools and existing Staff Colleges such as Henley, Ashridge and Ditchley, but where industrial companies are running staff courses it is thought desirable that Civil Servant representation should be encouraged wherever possible.

25. It is also believed that whereas Civil Service training is mainly confined to the junior levels, advanced training courses at all levels would offer advantages, especially if devised to bring about closer contact with industry and its problems.

Management

26. The Civil Service continues to grow at an alarming rate and is continually called upon to undertake new functions, sometimes at very short notice, thus increasing industry's overhead burden and reducing competitiveness.

Should the Civil Service not have a special organisation to study the structure and management of the Civil Service in the changing environment and ensure maximum efficiency and cost effectiveness?

27. The Scientific Civil Service caters for the scientific graduate willing to enter Government service and from these ranks the Scientific Administrator eventually emerges, but there is no means by which he can progress to other administrative functions. There does not appear to be a comparable role in the technological field and thus the Civil Service would appear to lack the guidance of the Administrator with broad engineering and technological background.

Summary

The views of the Association can be summarised as follows:

(1) The first essential seems to be to establish the function to be performed

by Civil Servants in the new role they have to play in relation to industry and Government's involvement in it and in relation to the country's technological effort.

(2) In this respect, the function of the Civil Servant cannot be clearly seen without clarifying the role and responsibility of Ministers themselves.

(3) There should be a sufficient proportion of Civil Servants in Ministries which are Sponsoring Departments who have a practical understanding of commercial, scientific and manufacturing principles of the industries with which they are concerned. They should be able fully to understand the implications and consequences of the matters discussed between industry and Government.

(4) The responsibility of Ministers in relation to nationalised industries and in consequence the role of the Civil Service should be studied.

(5) The recruitment of high quality technologically based graduates into the Administrative Classes should be increased.

(6) The status of those with a technological background and training should be equal with those in other classifications so that their chance of entry into higher ranks of the Civil Service are equal.

(7) Movement from Executive to Administrative Classes should be made easier, thus opening the possibility for more rapid promotion on merit.

(8) A study of the French system of training and recruitment through the Ecole Polytechnique is recommended.

(9) The problems of recruitment to the Government research establishments with no natural outlet for the older members should be examined. This question itself requires examination of the role, purpose and objectives of Government research establishments.

(10) Temporary interchange between Civil Servants and industry has limitations and some longer period of interchange should be encouraged, provided that this is a true interchange and not recruitment by the Civil Service of industry's key personnel without regard to the effect of depletion on industry.

(11) Opportunities for continued training should be open to Civil Servants at all levels and that much greater attention should be given to joint training with industry.

(12) The possibility of industry representatives attending Government Courses be considered, and industry be encouraged to invite participation of Civil Servants in industrial and business training courses.

(13) There should be a review of the working arrangements between Government Departments and the main industrial Trade Associations with which they are concerned, with the object of establishing confidence and co-operation in the public interest.

by Civil Servants in the new role they have to play in relation to industry and Government's involvement in it and in relation to the country's technological effort.

(2) In this respect, the function of the Civil Servant cannot be clearly seen without clarifying the role and responsibility of Ministers themselves.

(3) There should be a sufficient proportion of Civil Servants in Ministries which are Sponsoring Departments who have a practical understanding of commercial, scientific and manufacturing principles of the industries with which they are concerned. They should be able fully to understand the implications and consequences of the matters discussed between industry and Government.

(4) The responsibility of Ministers in relation to nationalised industries and in consequence the role of the Civil Service should be studied.

(5) The recruitment of high quality technologically based graduates into the Administrative Classes should be increased.

(6) The status of those with a technological background and training should be equal with those in other classifications so that their chance of entry into higher ranks of the Civil Service are equal.

(7) Movement from Executive to Administrative Classes should be made easier, thus opening the possibility for more rapid promotion on merit.

(8) A study of the French system of training and recruitment through the Ecole Polytechnique is recommended.

(9) The problems of recruitment to the Government research establishments with no natural outlet for the older members should be examined. This question itself requires examination of the role, purpose and objectives of Government research establishments.

(10) Temporary interchange between Civil Servants and industry has limitations and some longer period of interchange should be encouraged, provided that this is a true interchange and not recruitment by the Civil Service of industry's key personnel without regard to the effect of depletion on industry.

(11) Opportunities for continued training should be open to Civil Servants at all levels and that much greater attention should be given to joint training with industry.

(12) The possibility of industry representatives attending Government Courses be considered, and industry be encouraged to invite participation of Civil Servants in industrial and business training courses.

(13) There should be a review of the working arrangements between Government Departments and the main industrial Trade Associations with which they are concerned, with the object of establishing confidence and co-operation in the public interest.

MEMORANDUM No. 59

submitted by

BRITISH EUROPEAN AIRWAYS

November, 1966

British European Airways is grateful to the Committee on the Civil Service for giving it the opportunity to submit written evidence and has the following consideration to put forward:

General

1. B.E.A. as a nationalised industry and as a British flag carrier has a number of close connections with the Civil Service. Its capital is voted by Parliament on the recommendation of H.M. Treasury; its fleet procurement programme is subject to the approval and veto of the President of the Board of Trade; its route pattern is determined by the licences granted by the Air Transport Licensing Board (which though an independent body is set up and administered by the Board of Trade) and by the outcome of negotiations for traffic rights between the Board of Trade and Foreign Civil Aviation Departments. The standard of its operation is subject to the control of the Aviation Safety and Air Traffic Control Branches of the Civil Aviation Division of the Board of Trade; and the President of the Board of Trade as Minister responsible for civil aviation has the power to give general directions regarding any aspect of B.E.A.'s affairs.

2. In the course of frequent and regular contact with the Civil Servants at all levels who are carrying out the above duties we have the opportunity of seeing both of the two main aspects of their work—on the one hand the managerial function involving negotiation, financial control and the implementation of Government decisions and on the other the advisory function by which Ministers are briefed for taking Government decisions.

3. From this close relationship we have observed that the growth of the Civil Service in recent years has been due very largely to extensions in the first of these two functions. There has been a rapid increase in the extent to which Civil Servants—not only in England but throughout the world—are involved in work which had previously been done by others, and which could still very well be done by others. The work of the second function—that of advising Ministers for decisions—has probably not increased to anywhere near the same extent.

4. This growth of the management functions is kept in check to some extent by the transfer from time to time of parts of the Civil Service to nationalised boards with their own management and financial targets where applicable.

The Post Office is an important case in point and another recent example is the British Airports Authority. We believe that this is a healthy trend and it could with advantage be taken very much further.

5. The National Air Traffic Control Service is one such organisation which we believe could, with advantage, be detached from the Civil Service and given complete management responsibility within an overall budget. Similarly, the rule-makers—those responsible for the contents of the Air Navigation Order and Regulations—must be men well grounded in civil aviation operations, and they could well be made responsible to an independent Civil Aviation Board.

6. We also find somewhat artificial the situation in regard to the award of traffic rights on international routes. Here the responsibility is divided between the Air Transport Licensing Board, which grants or refuses applications from British airlines for licences to fly on routes, and the Air Overseas Policy branch of the Board of Trade, which then establishes, by negotiation with its opposite numbers in other countries, whether the routes concerned can be exploited on behalf of the U.K. The A.T.L.B. closes its mind to the international aspects while the Board of Trade has little control over what routes the A.T.L.B. licences. Here again there would seem to be the occasion for an organisation similar to the C.A.B. in America which would be competent to deal with both aspects of the problem.

7. The above examples are suggested to us by our practical experience, but we believe that there must be many more cases in other walks of life where work of a predominantly commercial or industrial nature is being done by Civil Servants and is being done less well in consequence—not because of any lack of ability in the men concerned but simply because the organisation, structure and tradition of the Civil Service cannot be fully reconciled with modern commercial and industrial life.

Structure

8. Following the above observations we suggest that the correct structure to aim for in the Civil Service should be based on a relatively small body of administrators who would be trained and qualified in such a way as to be able to give Ministers the best possible advice on the policy decisions which they have to make. The part of the Civil Service which is at present concerned with the administration and operation of quasi-industrial concerns should, we believe, be detached from the Civil Service proper and converted into Corporations or boards on lines similar to the present nationalised industries or, for example, the British Airports Authority. They would thus have their own financial targets, management, recruiting arrangements and operational policy. We realise that this is not an aim that could be achieved rapidly or completely; but it might go far towards increasing the efficiency of both the "management" and the "advisory" parts of the Service.

Recruitment

9. At present, out of a total Civil Service strength of about 700,000, the Administrative Class has a strength of some 2,500 and we gather from the Treasury paper "The Future Structure of the Civil Service"¹ that much of

¹ Memorandum No. 1.

the concern of the present Committee is whether this small and highly qualified part of the Service can be maintained in size and quality by the present recruitment arrangements or whether it should be amalgamated with the General Executive Class in order to give a wider basis of entry. In line with the suggestions we have made above, we believe that it would be better to keep the Administrative Class in its present form and restrict its duties more specifically to those necessary for advising Ministers, thus freeing it from much of the management type of work which it now undertakes and enabling it to concentrate on the functions for which it is best fitted. By this policy we believe that the present methods of recruitment should prove adequate and that a more attractive career structure would be offered to the type of graduates who are now sought as recruits.

10. If it were possible to restrict the duties of the Administrative Class in the way we have suggested, the total requirement of bright University graduates to that Class would be less, and it would be easier to make clear to potential applicants the type of work upon which they would be spending their lives. We believe that much of the attraction of the Civil Service in the past has been due to the feeling by candidates that they would be taking a real and important part in the Government of the country and would be directly influencing the decisions upon which that Government turned. In recent times the duties of the Civil Service have become so varied and so detached from the original conception of the Administrative Class that the young entrant has no particular picture before him of the way his career is likely to be shaped. This certainly lessens its attractiveness and makes the best type of graduate less inclined to apply.

Training

11. The Treasury paper "The Future Structure of the Civil Service" emphasises the importance of training for middle and higher management posts, and suggests that graduates who are believed to be capable of rising to the top should go through arrangements similar to those now appertaining at the Centre for Administrative Studies. We believe that if the Civil Service were reduced in its functions as we have suggested, it would in no way lessen the need for first class training arrangements for this type of staff. If anything, the necessity for training would be increased; for Administrators with the requirements for advising Ministers must have a proper knowledge of the complex issues involved even if they are not personally concerned in these. Without such knowledge proper value judgements cannot be guaranteed.

Mobility

12. It is a tradition of the British Civil Service that the Administrative Class should be fully interchangeable, and that officials in the higher grades can and should be transferred at frequent intervals between posts dealing with completely different subjects. This policy has contributed towards giving the British Civil Service the highest integrity of any in the world; but on the debit side an increasing difficulty is apparent among officials who change their job so frequently in mastering the intricacies of the highly specialised issues with which they have to deal. It would be a consequence of the transfer of part of the Civil Service's responsibilities to nationalised boards or Corporations that

these boards or Corporations would not have the mobility of staff which is possible in the Civil Service proper. The staff concerned would gain in expertise and the jobs which they were doing would probably be done more effectively. If there is any danger of integrity being lessened by the reduction in mobility, we think this can be safeguarded by the more extensive use of Parliamentary Select Committees watching over the conduct of these organisation wherever the normal commercial checks and balances are not applicable. As for the Civil Servants undertaking the advisory functions, these should still enjoy a fair measure of interchangeability, though with the aim of leaving a man in one post for at least three years.

13. We have considered the possibility of interchange of staff between the Civil Service and the nationalised Boards or Corporations, but believe that for practical reasons this is unlikely to be possible on any great scale. This is because of the difficulty in a commercial concern of extracting a specialised Manager for a temporary period and replacing him in the same post at the end of this period while carrying on his functions during his absence under the control of a completely inexperienced replacement—however intelligent. Nevertheless if interchange can be made practicable it is obviously desirable and this interchange might be made easier by the establishment of the Corporation or boards referred to in the section of this paper headed "Structure".

Conclusion

14. We realise that what we are suggesting would result in a considerable upheaval in the present organisation of the Civil Service if it were adopted immediately on a wholesale basis. We believe, however, that it represents a practical and satisfactory long-term aim for gradual implementation whenever the opportunity presents. A conscious trend in this direction would provide a useful corrective to some of the difficulties which are apparent in the present Civil Service.

MEMORANDUM No. 60

submitted by

THE BRITISH INSTITUTE OF MANAGEMENT

December, 1966

1. The British Institute of Management will confine its recommendations to those areas in which it has a direct contribution to make, namely in facilitating and promoting:

- (a) the knowledge and use of management principles, practices and techniques throughout the Civil Service;
- (b) systematic education and training of managers, i.e., the Administrative, Executive and Professional Classes;

but it will be prepared to discuss related problems or answer specific enquiries.

2. In making its observations the Institute is aware that most or all of the following areas of action are already in operation or under consideration:

Structure

Integration; mobility; flexibility between classes and in the career patterns within the classes; decentralisation of operations to the regions.

Recruitment

Extension of present catchment area and "milk round" covering—
universities,
C.A.T.s. and technical colleges,
career advisory officers in schools and local authorities;

Simplification of entry requirements by—
examination for graduates;
examination for non-graduates;
criteria related to qualifications and experience for older entry.

Training

Programmes incorporating both internal and external courses, seminars, lectures, etc., built into the career structure with specific training in—
management sciences;
management accounting;
personnel administration;
office administration.

B.I.M. recognises that there has been a fundamental change in the Civil Service task in recent years which calls not only for changes in organisation and administration, including communication and the devolution of responsibility,

but also in its relationship and posture *vis-à-vis* the world outside it, particularly industry and commerce. B.I.M. is broadly in agreement with the Treasury proposals in its Note on future structure and in particular the proposal for the merging of the Administrative and Executive classes to form a general management group. The recruitment problem for this group has been outlined in the Treasury Note¹—it is identical with the problem facing the world of industry and commerce, namely the wide and increasing competition for high-quality trained and trainable minds, post-education and post-experience. Like industry the Civil Service must be prepared to offer tangible incentives not only of a working life with full security and a pension but also "job satisfaction" and—particularly at the senior level—a clear view of progress towards promotion with its status and rewards. A long, slow haul along the path of promotion must inevitably act as a disincentive, if not a deterrent, to many an able and active mind.

3. In any large-scale and formally concentrated group rigidity is likely to set in and frustrate initiative and innovation, unless there is continuous pressure to improve efficiency and effectiveness and a positive, receptive approach to change. The elements of decision making associated with risk taking—cardinal features in the successful prosecution of business enterprise—are to some extent lacking in the public sector and need to be introduced. The element of competition is also probably much less pronounced than in private enterprise and should be actively promoted. For these reasons there should be not only increased flexibility in movement between Government Departments but also greater interchange of managerial skills and strengths with the industrial and commercial world, both by open competition and by planned secondment. This would induce a cross-fertilisation leading to a broadening of knowledge and understanding on both sides and could have an important effect on livening competition and raising performance standards.

4. The rapid changes that are taking place, particularly in technology and the use of the social sciences, and the "information explosion" have called for radical changes in the approach of industry and commerce to training at all levels. This raises the question whether such changes in approach have already taken place or are under consideration in the Civil Service. Modern equipment and techniques are now a commonplace in industry and commerce and depth knowledge of their uses and appreciation of the wider applications and implications cannot be achieved except by systematic training and by continuous contacts and interchange with the business world.

5. To maintain both an adequate flow and the high quality of personnel, the Civil Service may have lessons to learn from industrial experience where it has been found necessary to apply rigorous checks in the control of human resources no less than material. The ruthless discipline imposed by the necessity for an adequate return on resources employed is a key factor in promoting efficiency and effectiveness in any form of economic endeavour. In business this is imposed by the need for profitability. In the Civil Service one can see the proper application of cost accounting and management services such as O. & M. providing the necessary discipline, and it may be considered that there is room for further development in these respects.

¹ Memorandum No. 1.

6. In the light of the foregoing general observations, while fully recognising (as indicated in the second paragraph of this memorandum) what has already been done or is under consideration in many spheres of action, the B.I.M. feels that the time would appear to be ripe for further advances in relation to each of the following recommendations:

- (1) The present limited recruitment of post-experience entrants into the Civil Service at all levels should be extended.
- (2) There should be the greatest possible flexibility in selecting staff for "management" appointments. As an example of this, scientific and engineering staff should be eligible.
- (3) Secondment of managers and specialists for specific periods into the public service, and vice-versa, should be part of a deliberate policy with built-in safeguards as to career advancement and security on both sides.
- (4) The need for cost consciousness, budgetary control and performance targets, however obvious these may be as essential disciplines, is not invariably a feature of the operations of Government Departments and they should be instituted throughout and at all levels. Target setting and "management by objectives" are common features of management in industry. Techniques of staff control and staff measurement as practised in large-scale multi-unit groups in industry could well lead to more economical use of staff resources in certain Departments.
- (5) Retirement policies require greater flexibility to provide for early retirement or retirement on health grounds to allow for the removal of the inefficient or unsuitable or those who may have gone stale. This would also have the by-product of speeding up promotion.
- (6) There should be provision for accelerated promotion on grounds of merit. Remuneration scales should be examined with particular reference to whether they are too long.
- (7) "Management development" programmes should be worked into the career structure making use of the abundant facilities offered in the universities, business schools and other further education establishments. We would also draw attention to the advantages of greater participation by Civil Servants in the more informal appreciation courses, conferences and seminars conducted by B.I.M. and some of the specialist management bodies.
- (8) The practice in many large industrial concerns of setting up a "Management Services" unit, charged with a wide range of responsibilities aimed at achieving maximum efficiency at all levels, should be studied for its possible application within the Civil Service as an extension of the existing O. & M. services. In any such development it might be advantageous for some of the staff to be on temporary assignment from industry to ensure periodical infusion of new ideas and experience.

MEMORANDUM No. 61

submitted by

THE BRITISH INSURANCE ASSOCIATION

December, 1966

1. The B.I.A. has seen a copy of the evidence submitted to your Committee by the Confederation of British Industry.¹ We find ourselves in full agreement with all that they have said and, after careful consideration, we have decided to limit our own observations to the following points which are of special relevance to the relationship between the insurance business and the Civil Service.

Secondment

2. In paragraph 3 of their memorandum the Confederation of British Industry stress the need for the Government and industry to understand each other's approach to common problems in our mixed economy. This need, as they go on to say in paragraph 8, calls for greater mobility, including opportunities for work outside the Service. We are conscious of the problems involved but we strongly support the principle and we believe it to be of growing importance that a scheme should be established for regular secondment, in both directions, between the Civil Service and industry. We further believe that the insurance industry is capable of playing its part in such a scheme. We would welcome in particular the idea that selected Civil Servants should be given a period of training and practical experience in insurance at a comparatively early stage of their careers; and similarly that selected insurance men should be seconded to the Civil Service at the Assistant Principal and Principal level.

Broad of Trade

3. (a) The two Government Departments with which the insurance industry is most often in contact are the Board of Trade and Ministry of Pensions and National Insurance. The Life assurance companies find that the people with whom they deal in the latter Ministry are not only highly efficient, but are capable of balancing the economically desirable and the politically possible. This is almost certainly due to the expert advice which is available to the Ministry and to the life companies from the Government Actuary's Department. It implies no criticism to the Insurance and Companies Department of the Board of Trade, with whom the B.I.A. enjoys the friendliest relations, to suggest that parallel arrangements might be considered to make available to the Government similar expert advice on the non-life side of insurance. There would no doubt be practical difficulties in setting up a body similar to the Government Actuary's Department for this purpose and, as an alternative, we suggest that considerable advantages would flow from a higher degree of confidentiality than is at present

¹ Memorandum No. 67.

permitted between the Board of Trade and the B.I.A. The existence of a relationship of this kind would undoubtedly make it easier to protect the insuring public from the activities of the dishonest and the incompetent.

(b) Although insurance and other trade and commercial problems are sometimes parallel, British insurance is such a valuable contributor to invisible exports that we believe it to be desirable for there to be an entirely separate Department of the Board of Trade responsible for insurance matters only. Part II of the new Companies Bill makes it likely that the existing Insurance and Companies Department will be more than ever before overloaded and this underlines the need for the separation we suggest. If this is regarded as impracticable, it seems to us that there is alternatively a strong case for splitting off the "policing" functions of the Insurance and Companies Department from the primary function of legislation and regulation. While we have argued for, and support, the extension of the Board's powers which are to be given to it under Part II of the new Companies Bill, we doubt the capacity of the Insurance and Companies Department as at present organised to exercise these powers as effectively as is necessary for the protection of the insuring public. Our proposal for splitting off the policing functions could well be considered in conjunction with the suggestions made above for greater confidentiality between the Board and the B.I.A.

MEMORANDUM No. 62

submitted by

THE BRITISH NATIONAL EXPORT COUNCIL

November, 1966

Duties and Composition of the Council

(a) The British National Export Council was established in the autumn of 1964 and has the following terms of reference:

- to keep all British exports under constant review;
- to stimulate the best results in all actual and potential markets;
- to advise on the formation of organisations necessary in connection with particular markets;
- to provide central points of reference for all such organisations and for the country's export effort generally.

(b) The Council has the full support of Her Majesty's Government who provide a grant equal to the sums which the Council raises by appeal to business. The sponsors of the Council, who are represented on it, are the Association of British Chambers of Commerce, the Confederation of British Industry, the Financial Advisory Panel on Exports on behalf of City interests and the Trades Union Congress.

(c) The Council is not a representative body, its members being nominated. They are mainly businessmen who were selected because of extensive experience in exports both visible and invisible.

(d) Membership of the Council includes also senior representatives of the Departments concerned with exports, i.e. Board of Trade, Department of Economic Affairs, Foreign Office, Commonwealth Office. There are also departmental representatives as appropriate on all the committees of the Council. The members and staff of the Council are thus in close and continuous contact with Government departments.

Evidence of the Council

1. B.N.E.C. desiderata on the qualities and attitudes of civil servants towards export promotion can be summarised under three headings all of which seem to fall within the province of training and personnel management.

2. *First*, in the departments directly concerned with promotion of exports adequate experience at senior operating levels (i.e., Assistant Secretary and Principal or equivalent) of conditions overseas and understanding of the requirements of those U.K. interests which earn foreign exchange, i.e., not only by visible but also by invisible exports: by the sale of services as well as of goods.

3. *Second*, full awareness at senior levels throughout the Civil Service that virtually all major policies of H.M.G. are likely to affect exports; and that the effects on exports must be taken into account in the process of decision making. *Mutatis mutandis* this applies also in the nationalised industries.

4. *Third*, clarity of definition of the responsibilities of the different departments directly concerned with export promotion, and adequate machinery for initiating action when more than one department is concerned.

5. Experience shows that there are many ways in which departments can assist exports, e.g., to name only one example, the technical advice for overseas buyers now available from British Rail, the G.P.O. and the Ministry of Health, activities outside what in the past would have been regarded as the normal functions of departments or nationalised industries. The work of the Board of Trade in preaching this gospel is much appreciated. But it does seem that the problem will be a continuous one and perhaps open to question whether some supplement to the normal experience of senior Civil Servants, e.g., in the way of special courses may be required if comprehension of export implications (whether positive or negative) is always to come easily.

6. Under the *first* heading the home departments principally concerned are the Board of Trade, the D.E.A., the Treasury, and the Ministry of Technology. The last named is selected from among all the other sponsor departments because of the preponderant role of engineering products in U.K. export trade.

7. The experience of B.N.E.C. is that the intellectual capacities of the officers in the departments concerned with export problems are fully adequate. But it is not equally the case that these officers have adequate experience of conditions overseas and in domestic business.

8. In the Board of Trade, the department principally concerned with export promotion, it is important that officials concerned with overseas territories should, both by overseas visits and by length of tenure of particular posts, be in a position thoroughly to understand the areas with which they are dealing. Regular interchanges of jobs with the Diplomatic Service would provide the indispensable leaven of experience of working overseas which previously resulted from the fact that the Trade Commissioner Service was staffed by the Board of Trade. Adequate length of tenure of position is obviously again important in dealing with U.K. industries, where at least occasional mobility between departments and industry should promote better understanding.

9. Similar considerations will apply in other departments with substantial interest in exports.

10. A practical conflict must arise between mobility and variety of experience on the one hand and expertise and depth of experience on the other. It should therefore be emphasised that there is no expectation that officials should be experts in a business sense: only that they be left long enough on one job or group of jobs to understand the problems involved. The concept of mobility is not intended to be actually applied to the majority of officers dealing with export promotion. The aim is rather to ensure that there is always a strong

leaven of men or women with wider experience. The problem might be mitigated by attention to the maintenance of group memories: that is to say by avoidance of situations where, as now happens, several men dealing with the same subject or group of subjects are transferred more or less simultaneously.

11. Under the *second* heading above one of the more obvious—and complicated—areas is the purchasing policies of Government departments and nationalised industries, where, for example, decisions on standards for home use can have wide reaching effects on exports, e.g. the number of lines for television. The leverage sometimes available from Government purchases overseas to support the export sales of aircraft engines, for instance, is another possible field.

12. *Definition of responsibilities of departments.* Reference is made above to the potential value of mobility of staff between, e.g., home and overseas. While this concept seems to command general sympathy, it is by no means clear that adequate machinery exists to implement it. The need for extensive inter-departmental deliberations seems also to have occasioned long delay in arranging a meeting of B.N.E.C. with the leaders of the nationalised industries to discuss the need for general awareness of export implications in their fields of operation parallel to the consideration in respect of Government departments set out at paragraph 3. It is perhaps not fully realised in Whitehall what a complicated jungle modern bureaucracy presents to the outsider.

MEMORANDUM No. 63

submitted by

THE BRITISH RAILWAYS BOARD

January, 1967

1. These observations are prepared from the standpoint of a nationalised industry which has, in addition to a special relationship with its sponsoring Department, the Ministry of Transport, contacts with a number of Government Departments, including amongst others the Ministry of Labour, the Home Office, the Department of Economic Affairs, the Ministry of Overseas Development, the Board of Trade and the Scottish Office. The comments are also mainly confined to the Administrative Class of the Civil Service.

2. At the outset, perhaps, reference should be made to the excellent relationship which has existed for well over a century between the Railway Inspecting Officers of the Ministry of Transport (formerly of the Board of Trade) and the railway management, which has been characterised by a broad understanding of each other's point of view, and a helpful attitude towards the problems of railway safety that have been studied in common.

3. In more recent times a close relationship has also developed with other Departments and Branches of the Ministry of Transport, dealing with subjects such as finance, investment, labour relations, charges, Parliamentary and legal matters. The extent of these contacts has increased rapidly in recent years, as the nature of the relations between a sponsoring Department and a nationalised industry requiring deficit financing has changed.

4. The Civil Service has traditionally two main functions (a) to assist Ministers, by providing advice and information, in the determination of policy; (b) to do everything necessary to ensure that the policy, once decided, is effectively implemented. These two functions are, in the Administrative Class, often combined in a single individual.

5. Recent change has been most rapid in the second function. The active participation of Government in the economic life of the country has developed to a point at which many decisions which now fall to civil servants are of a managerial or quasi-managerial business character, especially as regards the nationalised industries. In railway management the extent to which the Civil Service become involved in major decisions has grown markedly in recent years.

6. This raises several questions. The first is a consequence of the mixed economy, of the existence side by side of public and private enterprise, which is now becoming the accepted pattern of business organisation. The Civil

Service has quietly slipped into a form of partnership with the public sector of industry, in which the respective functions are not always clearly defined. It is desirable that there should be a clearer understanding of (a) the subjects upon which the Civil Service require to be informed and to participate to some extent in decision-making, such as finance, investment and possibly labour relations; (b) the point beyond which the individual managers in the industry must be left to take their own decisions. The blurring of the edges that now exists is particularly noticeable when a nationalised industry is, for social, regional and national economic reasons, not being run on a strictly commercial basis and is in deficit on commercial account.

7. A good deal can be learned from the practice of industry, where a central holding or finance company controls the activities of a group of industrial undertakings, but confines its intervention to specific fields such as capital expenditure, annual budgets, and higher staff appointments. The public control over nationalised industries can, for instance, more effectively be exercised through controlling the appointments of Board Members and broad programmes of investment, than by intervening in detail with the functions of Board Members.

8. Another question of importance is whether it is necessary and desirable that a Ministry responsible for a nationalised industry should build up a large staff with knowledge of the industry's problems and procedures, merely to act in a negative capacity as a monitoring service upon the work of that industry. (Where Civil Servants of ability have considerable expertise in a particular field of public industry such expertise could probably be used to better advantage by the industry itself.)

9. The next question is whether, accepting the need for a carefully limited amount of incursion by the Civil Service into the management field, the Civil Servant can be brought to understand and practise modern techniques leading towards correct decision-making, since it is no longer sufficient merely to have a sound knowledge of the administrative procedures within the Civil Service.

10. The Civil Servant should intervene as little as possible in what may be termed the primary level of management; but in so far as he must deal with specific proposals from industry he should be better equipped to assess the processes of decision-making. There are two ways of promoting this. First, there is the possibility of seconding Civil Servants to industry for a year or two, preferably at a relatively early stage in their career. Second, Civil Servants might attend business management courses which are concerned with decision-making techniques.

11. The British Railways Board would be willing to provide some places at the British Transport Staff College at Woking for Civil Servants of the appropriate grade in the Ministry of Transport. Equally, it would be useful for some young railway managers to be seconded to the Ministry for say six months or a year as temporary Civil Servants.

12. Another important factor in improving the relations between senior Civil Servants and industry would be a modification of the Civil Service practice of training individuals by frequent cross-postings involving changes in the type

of work. Training by job rotation has of course its accepted place; but as practised in the Civil Service it leads to lack of knowledge in depth, and it throws upon their industrial "opposite numbers" a large part of the burden of educating the Civil Servants concerned. It is too frequently the case that, as soon as a Civil Servant has acquired a good technical or other knowledge of a nationalised industry, he is posted or promoted elsewhere and there is a marked loss of efficiency in communication while his successor is being educated.

13. A final question is whether a sponsoring Ministry should always act as the intermediate between the nationalised industry and other Government Departments such as the Treasury or the Ministry of Labour. Economy in manpower and better communications should follow from allowing direct contacts between the nationalised industry and other Government Departments, subject to proper liaison being maintained with the sponsoring Department.

MEMORANDUM No. 64

submitted by

THE BUILDING SOCIETIES ASSOCIATION

November, 1966

1. The Association wishes to base its evidence solely upon its dealings, as the national body for building societies, with various Government Departments. It does not feel competent to cover such matters as the structure, method of recruitment, training and mobility of the Civil Service nor the application of management techniques.

2. With regard to the senior Civil Servants with whom the Association has dealt, they have almost invariably displayed great courtesy and a high level of ability although occasionally affecting an attitude of intellectual superiority. It has often been difficult for them to appreciate that a scheme which seems theoretically sound may not be so in practice. One example of this was the Mortgage Option Scheme announced by the Minister of Housing and Local Government on 1st March, 1966, after the very minimum of consultation with those expected to operate it. Many meetings and memoranda were necessary before the Civil Servants concerned could be convinced that the scheme would be extremely difficult and costly to operate in practice. This "unworldliness" can perhaps be understood and it might be beneficial if Civil Servants could be seconded to industry and commerce for short periods so that they would better understand the hard facts of business life.

3. The Association's main criticism of the Ministry of Housing and Local Government is the manner in which negotiations are rushed. Ample time for consideration is needed when fundamental issues are involved, particularly as the responsibility of the Association's Council can only be delegated to a limited degree. Notwithstanding the problem of secrecy and parliamentary privilege, the importance of early consultation with the major interests involved in any new measure can hardly be over-emphasised. Papers are sometimes made available by the Ministry at the very last moment and Council members with important business responsibilities of their own are expected to attend meetings in London at extremely short notice. It is appreciated that Civil Servants are sometimes subject to severe political pressures and that their numbers may not have kept pace with their increasing responsibilities; nevertheless, by more careful planning many of these difficulties could no doubt be obviated.

4. One major difficulty which the Association has experienced in recent times has been the ability of the Treasury to frustrate decisions taken in good faith in conjunction with the Ministry of Housing and Local Government. It is most discouraging and destructive of confidence to find that talks have been based on wrong assumptions because Government policy was not settled in advance at Cabinet level. If Departmental interests could be reconciled beforehand and Civil Servants briefed accordingly, they could speak with more authority.

5. Civil Servants are impelled by different motives from businessmen and speak from different backgrounds so that a good deal of give and take is needed on both sides and a readiness on the part of the officials to correct false assumptions before specific questions are discussed. If the Government is to become an increasing partner in business activity, the officials will somehow have to realise that businessmen live by achievement and not by endless documents and discussions. A good example of this lies in the delays experienced by builders in the private sector when endeavouring to obtain planning permission. In order to pinpoint the problem the Working Party on Land and Planning Procedures set up by the Ministry of Housing and Local Government recently prepared information in respect of 112 planning applications submitted to a Rural District Council in the North-West during 1964 and 1965. The period involved in obtaining a decision on the outline plan varied from 6 to 42 weeks. Three of these cases went to appeal which involved a further 30, 42 and 53 weeks respectively. Where outline applications were approved it took a further 5 to 17 weeks to obtain approval of the detailed plans. The frustration experienced by the builders concerned can be imagined.

6. The criticisms in this evidence must not be taken as in any way related to particular Civil Servants with whom the Association has been concerned.

MEMORANDUM No. 65

submitted by

THE CHARTERED LAND SOCIETIES COMMITTEE

December, 1966

Introduction

1. The Chartered Land Societies Committee has prepared this Memorandum of Evidence jointly on behalf of the Royal Institution of Chartered Surveyors, the Chartered Land Agents' Society and the Chartered Auctioneers' and Estate Agents' Institute. The following note sets out the number of members of the three societies, and the numbers employed in the Civil Service and in other Public Services including Local Government, Public Utilities and Nationalised Services:

			<i>Total Corporate Membership</i>	<i>Central Government</i>	<i>Other Public Service (Local Government, etc.)</i>
R.I.C.S.					
(as at November, 1965)	...	...	18,305	1,978	6,424
C.L.A.S.					
(as at 26th May, 1966)	...	...	1,851	192	87
C.A.E.A.I.					
(as at November, 1965)	...	...	8,650	975	1,730

2. Evidence can therefore be presented from the point of view of professional staff employed within the Civil Service, professional staff of other public services, and professional advisers of private clients, commercial, industrial concerns with whom the Civil Service is working in increasingly close contact. The Annex attached to this memorandum establishes the wide range of activities with which Civil Service members of the Societies are concerned.

General

3. In the last two decades the Government and therefore the Civil Service has become increasingly involved in national and regional planning, re-distribution of industry and the urban population, and the modernisation and development of the power and transportation systems and in research of all kinds. Much of the consequent legislation has profoundly affected the professional work of those concerned with the development, management and valuation of land and buildings of all descriptions, public and private.

4. It is apparent that the scale, pace, and cost of technological development will accelerate the involvement of the Civil Service in these fields of activity in the years ahead. It is on the implications of this, and the consequent growing involvement of the Civil Service in management functions, rather than its legislative responsibilities, that we would wish to comment.

5. The most obvious organisational weakness in the Civil Service arises from the rigid class structure which strictly demarcates work into "professional", "administrative" and "executive", together with the rigid division between financial, administrative and professional functions. This causes frustration and delay in the decision-making processes at the various levels of management and professional activity. It makes it difficult for the Civil Service to keep abreast of the business and professional activities with which it is becoming increasingly associated. This is of particular importance in those matters where decisive guidance and advice is essential to purposeful and efficient business and professional activity on a national and regional, as well as a local scale.

6. This characteristic class structure no doubt served its purpose admirably in the past, but has become increasingly less meaningful as circumstances have changed. Many Civil Service activities contain elements of administrative, professional and executive work, and it may not always be efficient to contain them within a rigidly separated functional structure. This rigid separation often results in administrative and executive officers dealing with and taking decisions on matters in which they must in practice rely on the advice of professional officers. We consider that to meet modern circumstances more efficiently a higher degree of reliance and responsibility should be placed on professional officers.

Structure

7. In their memorandum¹ already submitted to your Committee, the Treasury have recognised the need to break down unnecessary barriers between the traditional classes, and to open "top management" posts to scientists and professionals. This in our view is one way in which the Service can be modernised to meet the changes in the character of Civil Service work which have taken place in the past twenty to thirty years, and match the flexibility of major business organisations, which fill many of their top management posts, on merit, from a wide range of professional and scientific disciplines.

8. We strongly support, therefore, the Treasury's proposal for a common structure for the Higher Civil Service as a whole, provided that this common structure is made meaningful by the inclusion of an adequate proportion of people with professional and scientific backgrounds.

9. We are confident that the Service will benefit greatly by a structure which places more responsibility for the financial and managerial functions of predominantly professional Departments on professional staff, and which provides the opportunity at the higher levels for senior professional officers with a flair for management to compete on merit for "top management" posts.

We firmly believe, however, that this alone is not enough and that a regular intake of young professional officers into predominantly administrative posts is essential if the Service is to realise the maximum benefit which can be achieved by broadening the range of experience available at policy taking levels. The time to transfer professional officers into predominantly administrative duties

¹ Memorandum No. 1.

is in their late twenties or early thirties, rather than in their forties; and we are confirmed in this opinion by the Treasury's proposal to groom its administrative entrants for senior management positions by giving them a middle management course around the age of thirty.

10. While we believe that in a technological age it is essential in the interests of general service efficiency that there should be such an intake of professionally qualified entrants into predominantly administrative posts, we recognise that this will form a relatively small proportion of all professional entrants, and that those who do transfer (other than at the highest levels) will normally do so at an early stage in their careers.

11. A common structure extending below the maximum of the Assistant Secretary scale would clearly improve flexibility between the professional and administrative sides of the service but we note that the Treasury's memorandum has not proposed this. Inevitably we lack sufficient information to make detailed suggestions as to what the desirable staff structure in terms of grades and salaries should be, but we recognise that the differences between these two sides of the Service, in the respective ages of entry and in the character of their work, probably make a common structure below the Assistant Secretary level impracticable. Nevertheless in order to recruit professional entrants of the right calibre capable of undertaking the complex responsibilities which will fall upon them, it will be necessary to provide a career structure for them which offers an expectation broadly comparable with that of the "starred" administrative entrant.

" Customer-Satisfaction "

12. We have used this term, for want of a better, to refer to the quality of the service which the Civil Service offers to the general public, to organisations with which it has dealings, and to its Ministers.

13. Our particular concern is, of course, with the part played by the professional officer in tendering these services, and the part he can play in improving them. We are confident that the speed of the service to Ministers, its quality, and the economy of its production, could be improved if the rigid separation of functions were modified and the professional Civil Servant encouraged to give advice direct to his Minister in his own field of expertise. There is, moreover, constant contact between the Civil Service and local authorities, commercial organisations and private persons on professional matters and we strongly recommend that this should be carried out by professional officers who talk the same language; the intervention of a third party can obstruct communication.

14. In recommending that full use should be made of the expertise of professional officers employed in the Civil Service we would add that we have appreciated this opportunity to tender advice and indicate our views on matters with which the Chartered Land Societies Committee is concerned and we therefore hope that such contacts with the professional institutions on broad issues will become standard practice.

Salary structure

15. Your Committee's terms of reference exclude consideration of Civil Service pay in terms of the appropriateness of its present levels and differentials,

and we, therefore, make no comment on these issues. Your Committee has, however, recognised the relevance of evidence on pay insofar as its concerns structure, management and recruitment, and we do not think it is possible satisfactorily to comment on the structure of the Service without reference to it.

16. In this context we wish to emphasise that the educational and academic standards required by the professional institutions have already reached a level broadly comparable with that required by the Service of its administrative entrants. As we have pointed out in paragraph 11 above, therefore, we think it will be essential, if the Service wishes to attract and retain professional entrants of the right calibre, to offer them a career reward broadly comparable with that proposed to be offered to the "starred" administrative entrant.

17. Reference is made elsewhere, in the paragraphs on mobility, to the need for flexibility in determining the points on salary scales at which professional officers with outside experience enter the Civil Service.

Training

18. There are two aspects of training, the managerial and the professional on which we wish to comment. In respect of both there is clearly room for improvement: the Civil Service is still falling short of the standards achieved by some other large scale employers.

19. The need for managerial training at "general staff" level has long been recognised and the increasing complexity of our modern systems and techniques make it all the more necessary today. We have recommended that suitable professional officers should be given the opportunity early in their careers for transfer into positions of a predominantly administrative nature, in the general interests of the Service as a whole.

20. It follows that those who do so should have the opportunity to receive proper training, in scale and quality comparable to that afforded to administrative entrants, i.e. by opening the courses at the Centre for Administrative Studies to both professional and administrative entrants, and by enabling both types of entrant to attend Senior Management Courses at comparable stages of their careers.

21. Professional entrants should also be accorded equal opportunities with administrative entrants to attend courses of the Henley and Ashridge type. We attach great importance to training of this kind, with its access to a wider group of skills and experience than are available within the Civil Service and the opportunities it provides for Civil Servants to meet their counterparts in other fields.

22. We recognise that training for top management must be selective. It is, however, clear that adequate managerial training is necessary for the majority of professional entrants generally if they are to apply their expertise to best advantage, and where management training is provided internally within the Civil Service we regard it as important that courses should be composed of a mixed complement of administrative, professional and scientific officers, enabling each to draw on the other's skills and experience.

23. As regards professional training the Civil Service policy in the past has generally been to recruit its professional staff ready-trained and not to concern itself with in-service training. We feel that this policy, which is in contrast to that followed elsewhere, e.g. the successful training schemes run by local authorities, is mistaken, and if the Civil Service is successfully to compete for professional staff (the Reports of the Civil Service Commissioners indicate that it has been difficult to do so for some time) it must be prepared to play its part in training aspirants to the professions. In particular it should be prepared to assist financially the full-time college and university training schemes which rising professional standards demand. In this respect we think that what has in the past been the exception should now become the rule.

Mobility

24. Mobility between departments of the Civil Service and outside employment can do much to develop breadth of outlook and the acquisition of experience and skill, and helps to further efficiency. It cannot, however, be fostered if prospects are largely confined to the Department into which officers are recruited and they are made to forfeit seniority when they move from one Department to another, or normally to enter the Civil Service from outside employment at the bottom of the salary scale, regardless of their age and the experience they have obtained elsewhere. The remedy for this is, of course, recruitment to a profession rather than on a departmental basis and no loss of seniority on transfer between Departments.

Pensions

25. The greatest single obstacle to mobility from and into professional employment in the Civil Service is, we believe, the Civil Service pension system, whereby pension rights are lost if the officer concerned leaves before the age of fifty and does not go to "approved" employment, i.e. employment in the local authority and related fields. Equal opportunity should be afforded to broaden experience in the private sector.

26. We understand that arrangements operate whereby this rule is relaxed for Assistant Secretaries or the professional equivalent, but we consider that a minor relaxation of this kind at a relatively late stage in an officer's career is not sufficient to achieve the desired result. The only satisfactory answer, it seems to us, is to provide for full transferability of pension rights, for example, by entering into a contributory superannuation scheme. We believe that in the long term this can do nothing but good in the way of cross-fertilisation, and that the Civil Service has nothing to gain by a system which obstructs the way into as well as out of the Service.

27. A further point in connection with pensions is the disability suffered by most professional entrants to the Civil Service in not being able, by virtue of the time spent in outside employment in order to become fully trained, to qualify for full pensions. We have already in paragraph 23 referred to the need for the Civil Service to train aspirants to the profession and should that be recognised and adopted successful entrants would then probably be young enough to qualify for full pensions. A considerable proportion of future professional

entrants to the Civil Service would, however, still enter fully trained from outside sources and these would accordingly lag behind their administrative counterparts and professionals trained within the Service in the time they could accumulate to qualify for a pension. The pension system should be adjusted so as not to act as a deterrent to officers who have qualified outside the Service.

Recruitment

28. The evidence we have submitted on Structure, Salary Structure, Training, Mobility and Pensions is relevant to Recruitment. We suggest, however, that recruitment to the Civil Service would be improved if attention were given to other ways in which Civil Service conditions fall short of those offered elsewhere.

29. A major barrier to recruitment is the delay inherent in the current method of settling and implementing Civil Service pay scales, which results in the Service attempting to attract recruits by offering pay scales which lag behind those being offered elsewhere.

30. An example of a minor deterrent is that the Civil Service does not pay removal expenses on first appointment, though many employers now do so and a removal from, say, Scotland to London for a married recruit can be prohibitively expensive.

31. In the longer term, much could be done to improve working conditions within the Service. Many Government offices have a reputation for being drab and overcrowded and we feel that greater expenditure on bringing them up to accepted standards would be money well spent, in terms of public advantage.

32. A more subjective comment is that whereas in the private sector of employment in the professions of the land it is commonly the case for employers to take a close personal interest in the careers, welfare and training of their younger staff, interest of a similar kind in the welfare of professional staff in the Civil Service is far less evident. This is a complex subject involving personal relations, but we think it would be well worthwhile to have it examined, with a view to senior officers undertaking a systematic obligation to encourage their juniors to improve their performance and overcome their shortcomings.

33. Our aim in this part of our evidence has been to suggest a line of approach rather than a series of individual measures. While we acknowledge the special position of the Civil Service and the problems arising from its great size and complex structure, we feel that in general it falls some way short of other major employers in staff management and welfare. The impression remains; however unfairly, that those responsible for recruitment to the Civil Service attach undue importance to the prestige of public service and the willingness of prospective candidates to sacrifice material rewards to idealism. We do not suggest that candidates are now less idealistic or expect too much from service which no one undertakes for reward alone, but that changes in other fields of employment and in the social fabric itself necessitate a greater readiness on the part of the Civil Service to compete with industry and commerce for the available talent, on something nearer equal terms, in conditions of service as well as in pay.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

General

(1) The Civil Service needs to adapt itself to new circumstances and new tasks: in doing so, it is at present hindered by its rigid class structure.

(2) In considering modifications to the existing structure, the Committee should bear in mind the intellectual calibre of entrants into the professions, and the rising standards of attainment demanded by the Professional Institutions. A new structure should be such as will make the fullest use of the capacity of professional entrants into the Service and provide a career which is rewarding not merely in terms of financial inducement, but also in terms of responsibility and efficiency.

Structure

(3) The administrative, professional and executive functions of the Service need to be more closely integrated and in particular professional officers should be expected to assume responsibility for the general management and financial control of predominantly professional departments.

(4) "Top Management" posts in the Civil Service should be opened to scientists and professional officers, by means of a common structure for the Higher Civil Service.

(5) In the interests of efficiency in a technological age there should be an intake of professional officers into predominantly administrative posts. This should normally take place (other than at the top level) at an early age in a professional officer's career.

(6) The educational and academic standards required of future professional entrants and the complexity of the professional and managerial responsibilities they seem likely to undertake, require a structure on the professional side of the Service which offers a career reward broadly comparable with that offered to the "starred" entrants on the administrative side.

Customer Satisfaction

(7) At the higher levels, professional officers should be expected to advise Ministers directly on matters within their professional expertise.

(8) There should be direct communication between the professional Civil Servant and his counterparts in local authorities, commercial organisations, and private persons, on professional matters.

(9) Professional Institutions are available to advise Government Departments, and the Civil Service could make greater use of this source of information and experience.

Training

(10) The Civil Service should be prepared to train professional officers for "top management" both within the service and at management training centres of the Henley & Ashridge type.

(11) Courses of managerial training within the Service should be composed of a mixed complement of administrative, scientific and professional officers.

(12) "Top Management" training must necessarily be selective but adequate general managerial training should also be given to professional officers if they are to make the fullest use of their professional skills and capacities (see Conclusions 3 and 6).

(13) The Civil Service should be prepared to undertake substantially more in-service professional training, and in particular to assist financially candidates for full-time college and university training.

Mobility

(14) Mobility between Departments and into the Civil Service from outside employment should not be inhibited by loss of seniority on transfer between Departments or by reluctance to offer experienced recruits a salary commensurate with their ability and experience.

Pensions

(15) The existing pension system should be modified to permit greater mobility and to assist recruitment.

Recruitment

(16) The method of settling and implementing Civil Service pay awards should be speeded up.

(17) Working conditions and conditions of service should be improved.

(18) The Civil Service should take a greater interest in personnel management and welfare, and accept that it must compete for staff with industry and commerce on more nearly comparable terms.

ANNEX

CHARTERED LAND SOCIETIES COMMITTEE

AN INDICATION OF THE EXTENT TO WHICH MEMBERS OF THE CHARTERED LAND SOCIETIES EMPLOYED IN THE CIVIL SERVICE ARE INVOLVED IN THE MANAGEMENT, USE AND VALUATION OF LAND

The Acquisition and Disposal of Land

Government Departments are directly involved in the acquisition of land for their own executive functions. Obvious examples are land required for defence or hospital purposes. They are also indirectly concerned with the acquisition and use of land by other public authorities, universities, etc. From time to time they are responsible for disposing of substantial areas of surplus lands.

This involvement includes the acquisition of land for housing and slum clearance schemes, roads, health and educational purposes, relocation of

industry, transfers under National Land Fund procedure, central area and comprehensive area development schemes, Town Development, New Towns, and the acquisition and release of sites for forestry and open cast coalmining.

The establishment of the Land Commission will inevitably extend the Government's involvement in this field, and will also necessitate the valuation for the purpose of assessing Betterment Levy of many properties not to be acquired.

The Use of Land

A substantial annual programme of capital investment in Building and Civil Engineering Work is carried out directly for Government use, both for the Civil Service and the Armed Forces, together with the control and advice through Local Authorities, Hospital Boards, etc. of a further substantial programme involving housing, schools, universities, hospitals, etc.

The Ministry of Housing and Local Government is responsible for the efficiency of planning control in its widest sense, embracing all types of development and property and for resolving appeals arising from the incidence of planning control.

The Management of Land

Apart from the responsibilities of managing the Government Estate, e.g. Government Buildings, Royal Residences, Embassies, Defence Establishments (which include large areas of land and woodlands held for Defence Training purposes) and Prisons, State Forests, etc. both at home and overseas, advice is available to owners and occupiers of agricultural land and woodlands and to their advisers on all rural estate management matters, with financial help in cases where it is felt it will promote efficiency.

The Taxation of Land

The Board of Inland Revenue is responsible for the valuation of property on a very extensive scale, principally for the purposes of Estate Duty, Stamp Duty, Capital Gains Tax, and Rating.

Legislation affecting Land

Much Government legislation relates directly or indirectly to land, and professional advice is required for its formulation.

MEMORANDUM No. 66

submitted by

THE COMMITTEE OF DIRECTORS OF RESEARCH ASSOCIATIONS

November, 1966

Introduction

1. We welcome the opportunity afforded us to submit our views to the Committee set up to examine the structure, recruitment and management of the Home Civil Service. The affairs of Government, and of every Government Department without exception, are greatly influenced by technological changes. Today's problems, from family planning or the population explosion, to transport by automobile, jumbo jet, Hovercraft or nuclear-powered ship, from slum clearance to the balance of payments, are largely and recognisably posed by technological advances. What is not always so clearly recognised is that their solutions are also largely technological. When the problems and their solutions are technological it seems self-evident that a high proportion of those whose responsibility it is to advise upon them, i.e., those working in the Home Civil Service, should have a sufficient technological background at least to appreciate the nature of each problem. It is to this aspect of the Civil Service that we have particularly applied ourselves.

2. As Directors of Research Associations dependent to some degree upon support from public funds and with a sense of responsibility to the economy we have more than the normal contacts with the Civil Service. Indeed, the forty-nine members of the C.D.R.A. have between them contacts with every Government Department at a variety of levels. We have submitted a questionnaire to our members on their relationship with the Civil Service from which it appears that in some 60 per cent of their contacts the relations have been good or even excellent. This is perhaps a not unreasonable proportion of satisfaction though one might possibly hope for more from a public service. Of greater significance is that the proportion of active dissatisfaction amounts to only 15 per cent which, for any service must probably be regarded as good.

3. Of even greater significance, however, is that the majority of the comments indicated satisfaction when dealing at the technical level and dissatisfaction when dealing at the administrative and policy level. At this level, the comments from our members included such statements as "personnel helpful but administration weak", "dilatatory", "slow", "lack of coherent policy both within

¹ This paper has been prepared by the following group of the C.D.R.A.:

Dr. D. W. Hill (Chairman), Dr. F. Aylward, Mrs. R. Haynes, Dr. R. Hurst, Mr. L. E. Prosser, Mr. D. C. Soul, and the Secretary.

One member of the C.D.R.A. has indicated that he cannot support Conclusion 1 of the paper; a second member, Mr. D. Hicks, Director of the British Coal Utilisation R.A. has indicated that he cannot support the main comments of the paper.

and between Departments", "no internal co-ordination", "tendency to blame the Treasury for inactivity", "no access to the Treasury". It is perhaps not surprising that the relationship is more satisfactory when the Department is the customer, i.e., seeking assistance or advice, than when the Research Association is the customer; but it cannot be regarded as less than disturbing that this should be so.

4. The Civil Servants with whom we deal are manifestly of two classes. First, there are those who are exercising a professional skill—the architects, lawyers, statisticians, accountants, engineers and scientists. These are trained for the job they carry out, and are chosen for their professional skill and ability. There is no basic reason to suppose that they are either better or worse than the average professional man outside the Service.

5. A greater freedom of decision within the guide lines of a broad policy and a greater responsibility for decision would probably be advantageous for these individuals, and could conceivably lead to the recruitment of a higher proportion of first class individuals to whom a challenge and a real sense of direction is often more important than security and immediate material rewards. We believe strongly that such individuals, and particularly the Scientific Civil Service, would benefit by appointment in the first place on a short term contract—say five years, and by facilities for movement both within the Civil Service (which already exists) and outside it (which is now virtually impossible).

6. Secondly, there is the Administrative Class, chosen with great care for their general ability but not necessarily for a particular professional skill. To facilitate the development of their professional skill, these individuals are moved from one responsibility to another and, indeed, on occasions from one Department to another. This must inevitably raise the question whether in the present age such officers may not find themselves increasingly at a disadvantage *vis-à-vis* their scientific colleagues. There have been recent examinations in the Press, on radio and on television of practically every other area of employment in Britain. One may ask whether it would not be to the long-term advantage of the Civil Service to remove the traditional anonymity of the Service.

7. Against this background we have addressed ourselves to the following questions, particularly as they affect, or are affected by technological and industrial development upon which the whole of the economy rests.

Functions of the Civil Service

8. The functions of the Civil Service have been described as managerial and advisory. It appears to us, however, that the regulatory function of the Civil Service remains one of the most important. Indeed, at its present size and with its present stable structure one might question the wisdom of permitting the Civil Service to have a managerial role. This role is one that has grown up largely as a consequence of two major wars during which the whole life of the community had to be directed towards fighting the wars under the overall direction of the Government. It is a matter for debate whether the Civil Service should not be limited to its former functions of inspection, Ministerial advice and auditing. The essential stability of the Service militates against the recruitment of men and women with natural initiative and the wish to encourage

innovation. If the Service were primarily regarded as a regulatory organisation the philosophy which provides for the men who take decisions to be amateurs would not then be so disadvantageous.

9. At the same time we are conscious that the functions of the Civil Service are largely determined by Government policy. It may be assumed that central Government will play an increasingly large part in the affairs of the country including the affairs of industry. If this assumption is correct, then it becomes very important to avoid the "cult of amateurism" and to ensure that a high proportion of the Civil Servants, whose influence as advisers will inevitably become greater as Government intervention spreads, are well-informed on the technological matters upon which they will be called to deliberate. They should be concerned as much with the investment aspect of expenditure of public money as with the saving of it. The disassociation from the Civil Service proper of the managerial or executive function which we suggest in the following section should prove increasingly advantageous as the intervention of central Government increases.

Size of the Civil Service

10. To some extent, at least, the problems of the Civil Service are a natural consequence of size. The total number of Civil Servants, excluding manual workers and skilled men in industrial grades, is about 700,000. Of these, 2,500 are in the Administrative Classes excluding the Diplomatic Service; 70,000 are in the Executive Class; 130,000 are in the Clerical Classes; 130,000 in the General Office category; Professional Classes, including scientists, engineers, architects, lawyers, accountants, etc., make up the rest. Taken in conjunction with our doubts about the managerial function of the Civil Service, it appears to us that the managerial function could with advantage be divorced from the Service by the formation of authorities responsive to Government policy, but outside the Civil Service proper. The British Broadcasting Corporation, the United Kingdom Atomic Energy Authority, the National Research Development Corporation and the Boards of the nationalised industries provide examples of the different forms such authorities could take. Since beginning our deliberations and coming to this conclusion we note that a similar proposal has now been decided upon for the Post Office, and more recently the suggestion has been made that the Health Service should be similarly constituted. We believe that it could be widely extended with advantage. For example, it would probably be advantageous if all civil scientific research, in which we have a particular interest, were moved outside the ambit of the Civil Service. Apart from its other advantage this would permit a greater involvement of industry with the research stations and facilitate the movement of staff into and out of industry and the Authorities so created. The remaining Civil Service staff would be smaller in numbers and more coherent, and hence better subject to wise managerial control.

11. A smaller and more coherent Civil Service would be more amenable to central direction thus ensuring the co-ordination of policy and activity. For this purpose it is suggested that there should be a Director or Director-General of the Civil Service who would be extra-departmental and would replace the present Head of the Civil Service based in the Treasury. We envisage that the

Director, who might be assisted by a small staff, would normally be a senior Civil Servant drawn from any of the Departments and would have somewhat the same responsibility for and relation to the Departments as the Vice-Chancellor in a modern University has to the professorial staff and Departments of the University. We say normally because we do not exclude the possibility that an able man from outside the Service (such as Lord Beeching, Lord Robens or Lord Heyworth) might on occasion be appointed to the post.

Recruitment and Training

12. We have already commented on the need for a higher proportion of technologically knowledgeable individuals in the higher reaches of the Civil Service. Scrutiny of recent examination papers for entry into the Administrative Class suggests that a man of ability, whatever his discipline, would be able to tackle them with some expectation of success, but that there is a distinct bias in favour of the Arts graduate with his possibly greater experience of essay writing and, in particular, of Oxford and Cambridge graduates who have been subjected to a more discursive system than the usual Redbrick honours graduate. Not unexpectedly, 73 per cent of the successful candidates in the recent examination for the Home Civil Service were from Oxford or Cambridge. We think that the Service would benefit by a greater intake of graduates in science and technology and that this could be encouraged by some modification in the style of the examination papers without detriment to their standard.

13. It is our view also that although it would be an advantage to recruit more scientifically trained persons into the Administrative Class at this level, it would not be sufficient merely to attract men at first graduation. Although they will be equally mentally disciplined as the Arts graduates, they will have lost much of their special advantage by the time they reach positions of responsibility, partly by conformation to the Civil Service pattern and partly by being out of touch with modern technological developments. There would, therefore, appear to be advantages in a provision for an extensive entry into the Administrative Class of men between the ages of thirty-five and forty-five and with a background of successful technical, industrial or commercial experience. Some proportion of these might come from the movement of professional classes in the Civil Service. This is already possible but the numbers involved are negligible. Transfers from the Scientific Officer Class to the Administrative grade were one in 1963, eight in 1964 and five in 1965. But, undoubtedly, the main influx should come from outside the Service.

14. We have already commented that we think that members of the Scientific Civil Service would benefit by entry on an initial contract of five years. We believe that this concept could usefully be extended to the Administrative Class. Only those with the necessary qualities would continue in the Service at the expiry of the contractual period.

15. Finally, we think that the present isolation of the Civil Service could be counteracted by imposing a bar on promotion at certain levels, e.g., at Assistant Secretary or Principal Scientific Officer levels. At these levels it would be desirable for the individuals concerned to have had some years of experience in industry or commerce (which might include the industrial Research Associations)

before promotion to Under Secretary or Senior Principal Scientific Officer. It is not uncommon in the world at large for those persons who ultimately reach positions of authority to have pursued a varied career in a number of organisations before reaching their final responsibilities.

16. We are not unaware that our suggestions pose certain technical problems, not least perhaps that they would require a new flexibility in the pension arrangements at present associated with the Civil Service, to provide for the kind of varied employment which we believe to be essential to persons whose role in society is a key to the success of the national economy.

Summary and Conclusions

17. Whilst we might have commented on all the points in the Committee's note amplifying its term of reference we have thought it preferable to restrict ourselves to the area in which we have special experience. It happens that, in the present stage of technological achievement this is a particularly important area. Based upon our experience of working with and for the Civil Service we make the following suggestions:

- (i) The Civil Service as such should be drastically reduced in size by the hiving off of many of its activities, including civil scientific research, to independent authorities.
- (ii) Co-ordination of the activities of the remaining and much reduced Civil Service should be in the hands of a Director of the Service who should be free from Departmental responsibilities.
- (iii) The method of entry into the Administrative Class should be broadened to facilitate (a) entry of young professional graduates particularly in science and (b) the entry of men of experience at age thirty-five to forty-five from the Scientific Civil Service and, particularly, from the outside world.
- (iv) Consideration should be given to imposing a bar on promotion at certain levels, e.g., promotion to Under Secretary or Senior Principal Scientific Officer should wherever possible be made dependent upon service for a period in industry or commerce.
- (v) All initial appointments of young graduates should be on a five-year contractual basis, rather than on an assumption of perpetuity of service.
- (vi) To permit the transfer of staff into and out of the Civil Service from industry, and commerce, attention may have be directed to introducing a new flexibility in pension arrangements.

MEMORANDUM No. 67

submitted by

THE CONFEDERATION OF BRITISH INDUSTRY

November, 1966

Introduction

1. This evidence has been prepared after discussions touching all categories of C.B.I. membership—individual companies, trade associations and employer organisations and Regional Councils. It has been considered by the C.B.I. Council (our governing body) and is submitted on its authority.

2. The reputation of the Civil Service and its standards of ability and integrity stand deservedly high at home and abroad. But none the less the methods and organisation of the Civil Service as a whole may no longer be well suited to deal with some of the major problems with which Government now has to be concerned; and the Civil Service, along with Parliament, industry and other sectors of the community, must take some share in the responsibility for the shortcomings of the nation's performance. The work of the Civil Service has changed and is still changing both in volume and in nature; and these changes bear upon the kind of Civil Service, and Civil Servant, that is now required.

The changing problems facing the Civil Service

3. The most obvious change is of course the growth of Government intervention and involvement in the economic and social life of the country. As industrialists we may deplore this: as realists we must accept that the mixed economy is a fact, not merely in this country but in Europe, North America and elsewhere. Thus many so-called political decisions are nowadays in essence economic decisions that have far-reaching effects on industry. In consequence industry, which generates most of the country's wealth, operates in conditions which are increasingly determined by public policy. Another change is the larger scale and international ramifications of many industrial and economic decisions, so that industrial problems have to be tackled in greater depth and with an eye to a wider horizon. There is thus more need than ever before for an effective working relationship between Government and industry. Their methods of reaching decisions cannot be identical, because of the major differences between running the country and running a company, but each must understand the other's approach to what are increasingly common or inter-connected problems.

4. The exercise of judgment in giving advice on policy and in reconciling desirable but often divergent interests and objectives is an immensely difficult task, calling for high qualities of brain and character which in combination are rare and hard to find. Industry is perhaps inclined to under-rate the complexity

of this part of the senior Civil Servant's function. Similarly the Civil Service may under-rate that component of its task which is analogous to the challenges facing industrial management. There are today many Government activities which call for similar attitudes and skills to those required of management in the business sense¹; and this requirement reflects both the effect of Governmental decisions on the business life of the community and also the size, cost and general complexity of Government's own operations. Consequently there is a need to prepare Civil Servants for the effective discharge of responsibilities and functions that are quite outside their pre-war role. One of the most vital changes needed is that the Service should more fully recognise and respect the management function in this sense: it should watch for the man who shows a managerial bent, help him to develop the necessary skills and see that successful performance is rewarded appropriately.

5. The matters on which the Civil Service has to advise increasingly require a wide range of specialist knowledge. Although the Service has brought in specialists of various kinds, we doubt whether enough use is yet made of modern control techniques, management information systems and research. In particular we doubt whether the inter-disciplinary approach is sufficiently used, the lack of which may result in compromise in committee rather than effective team-work.

6. In those areas of Civil Service activity which most nearly resemble business operations, business methods and criteria could be more widely used with advantage. Civil Service procedures make this difficult, for instance by insistence on uniform standards and practice in matters such as recruitment and salary scales, procedure and financial control. To overcome this we recommend "hiving off" such activities wherever possible, as was done when the Atomic Energy Authority was set up and as is now to be done with the Post Office. This allows a greater degree of personal responsibility and more flexibility in day-to-day operations—for instance in personnel policy—and within the necessary framework of Government control of overall policy also allows more operational flexibility in working to agreed and defined targets. Where taxpayers' money is involved the Treasury must continue to exercise overall budgetary control but this should not mean the attempt to control individual items of expenditure in detail and there could and should be much more delegation of financial authority within budgets. Similarly within Departments charged with initiating and carrying through industrial projects or procurements the designation of personal targets and responsibilities should be taken further. The coupling of financial and executive responsibility is an indispensable part of good management practice. Not only will this produce better results, it will also give the men concerned most valuable experience and the chance to demonstrate managerial abilities.

7. If the relationship between Government and industry is to be effective it is clearly desirable to narrow the gap between the Civil Servant and the industrialist, who must each learn to understand the other's language and to work with mutual understanding. Compared with before the war there is far more contact between them, at any rate at senior levels, brought about in part by the

¹ We note that words such as *administrative*, *executive* and *management* are used in quite different, and indeed sometimes almost opposite ways in the Civil Service and industry.

increasing number of issues affecting industry with which Government is concerned. It is also in part the result of the infusion of outside experience into the Civil Service during the war, but as the older generation has retired this influence has waned. For industry the essential requirement—though not the only one—is that the Civil Servant shall be understanding and sympathetic in considering its problems. It is to a great extent a matter of temperament and attitude of mind. By the nature of his work the Civil Servant looks for principles and for general solutions based on them. Enterprising and constructive initiatives do not readily flourish in this soil. The good administrator does not necessarily have to be technically expert in industrial matters, but he does need to be convinced of the importance of an efficient industry in the national life, to appreciate what motivates industry and to consider with sympathy how this motivation can be preserved or stimulated. He must be able to understand what is involved in industrial problems and decisions, to think positively about them and be willing to study them at first hand. Those qualities are displayed by many Civil Servants, especially in the senior ranks; by many others, especially at lower levels, they are not. Because of their different working backgrounds both the Civil Servant and the businessman have to make a conscious effort—the Civil Servant in order to get the "feel of industry and to understand, for instance, the overriding need for profit in business; the businessman in order to understand the effect of Parliamentary and political pressures on the mental processes and the actions of the Civil Servant. It is important that industry should feel that the Civil Service is understanding of its problems and not antagonistic to it. What applies to the Civil Servant's attitude to industry applies also to his attitude to the outside world. He is best helped to develop a sympathetic attitude to the daily life of the citizen by having experience of dealing with the public at first hand and such experience should be given (not excluding the exceptionally gifted) at an early stage in a man's career.

Mobility

8. The kind of Civil Service needed is one in which men from many different specialisations and with varying experiences play their part. More mobility is called for, providing in particular for internal transfers between Departments; some recruitment at ages and stages later than normal University recruitment; and opportunities to work outside the Service, either temporarily or permanently. Secondment to posts overseas is equally important; and in Departments concerned with international negotiations or the promotion of exports there should be a leaven of officers with experience of conditions overseas.

9. We do not underestimate the practical difficulties of mobility, which have limited the efforts of the Civil Service to put into practice what is already accepted in principle. These include the reluctance of Departments to lose their best men even for a short spell elsewhere; the reluctance of the man himself to jeopardise his long-term career prospects by being "out of sight, out of mind"; the problem at the receiving end of finding a worthwhile job in the outside world for a man on short-term secondment; the problem of posting on return; and above all the difficulties created by the present career structure and by differences in pay levels and pension arrangements. But we believe that many of these obstacles could be overcome, given conviction of the need. We

have collected information on experience of short-term secondments (in both directions) between industry and Government Departments and hope to put forward some practical suggestions later.

10. So far as career prospects are concerned, it ought to be a cardinal principle that such mobility should be, and should be seen to be, of advantage to a man in his career. Just as in the Foreign Service the attitude to commercial work was transformed when it became clear that to do it well improved a man's career prospects, so it should be made clear that experience in other Departments, in industry, or in certain other walks of life, will be an additional qualification for promotion.

11. It is a common complaint in industry that one of the main obstacles to effective day-to-day co-operation is the too frequent switching of Civil Servants from one post to another. Much of the serious inconvenience to industry of frequent movement of officials could be avoided if, where several officers are concerned with a particular subject, the transfers were not made simultaneously (as has happened in our experience on several occasions) but were phased so as to ensure some measure of continuity.

12. In advocating increased mobility we are aware of a basic dilemma. On the one hand industry wishes the Civil Servant to have breadth of experience based on postings into other Departments, some experience of the outside world and in some cases overseas experience. On the other hand industry finds that at senior levels there is not always enough depth of knowledge and experience. Acknowledging this, we recommend as a broad objective maximum mobility in the early stages and maximum stability in the later stages of a man's career. The mobility period might generally cover the first third of a man's working life, leaving two-thirds for stability and specialisation within a Department or related group of Departments.

Recruitment

13. The Civil Servant is still in most cases recruited by competitive examination where intellectual ability carries the most weight. Such ability will always be a vital requirement. But although academic attainment is of course the best test of intellectual ability, there are other qualities to which we attach importance, for which it is not the best test—for example, initiative, common sense and energy. At present we suspect that the difference in weighting given to these personal potentialities by the Civil Service and by industry is wider than it should be. Again, because of early specialisation the arts graduate in this country (unlike his opposite number in France) is often at a disadvantage in a world where the use of quantitative methods is indispensable. "Numeracy" is as important as literacy.

14. The base for selection for the top jobs needs to be broadened so that they are open to all suitable people whether they have started their careers in the Administrative, Executive, Professional, Scientific or Technical Classes. For this reason, among others, we support the Treasury's proposal for merging the Administrative and Executive Classes into a broader structure.¹ But we question

¹ Memorandum No. 1.

the wisdom of a "starred" entry for the brightest intellects. Certainly the man of outstanding attainment will not be attracted to the Civil Service unless he sees worthwhile prospects (see also paragraph 19), but it is impracticable (as well as wrong in principle) to identify at the age of twenty-three the pool from which the next generation's Permanent Secretaries will be drawn. The response to experience and the testing of character are unpredictable at this age and it is impossible to foresee how far the effectiveness in thought and action which is essential in the highest posts will be developed.

15. For the same reasons we recommend more recruitment into the Service at ages and at stages senior to normal University recruitment. It is the policy in some large companies to look for a proportion of their senior men from outside their own ranks in order to prevent in-breeding, to bring in new talent and diverse experience, and to measure their own staff standards against the best available outside. The opening to the outside world of some of the more senior posts in the Civil Service might well bring similar advantages.

Training and Career Planning

16. In training for the job, at the lower levels, a high standard has been reached, but we suggest that the young administrator should be given the opportunity of seeing a wider range of types of work undertaken by Government services as part of his early training. Training should also be used as a means of fostering greater understanding between the Civil Servant and his counterpart in the business world. The young graduate who has chosen the public service as a career is unlikely to have much understanding of industry—and may indeed feel out of sympathy with it—and his attitude will be formed in the early part of his career. We therefore recommend more joint training courses or seminars for young Civil Servants and men from industry, covering areas where they have some common interest. We also recommend more participation by Civil Servants in management training courses, including Henley and company staff colleges. For those of senior rank there is already the valuable experience of the joint conference at Ditchley Park and the regular residential courses which have developed from it, in which Assistant Secretaries and Under Secretaries and industrialists take part. Such initiatives should be encouraged.

17. There comes a stage in the career of the research scientist when a decision has to be taken whether he is to continue with research, to go over to development work, to move into administration, or to leave the Service, perhaps to enter the educational field. It should be a function of career planning to identify the scientist or technologist (or any other professional man) who shows a bent for administration and to see that training and opportunity are available to give him the necessary breadth of view and so a better chance of reaching the highest posts.

18. At a rather different level, it is the practice in some large organisations in the public and private sector to watch for the few most outstanding entrants who have been recruited straight from school but who, if they are to reach their fullest potential in the organisation, require a university education, and to arrange for them to get it. With the higher proportion of school-leavers now going on to university such cases are likely to be rare, but the Civil Service should not fail to provide for them.

19. There are marked differences between the practice of the larger industrial companies and that of the Civil Service in career planning and personnel administration. Industry can in effect operate a continuous process of selection. It can offer very rapid promotion to an outstanding man; it can move or remove a man who does not measure up to requirements. The Civil Servant, once installed, is unlikely to lose his job except for some serious misconduct. The Civil Service does not have the kind of "shake out" which occurs in industry; and promotions are made without the benefit of measuring the candidate against the best that might be recruited from outside. This almost complete security of tenure cannot be good for effectiveness or for morale: there should be greater rewards for success and initiative and greater penalties for failure (including errors of omission as well as of commission). If it were made abundantly clear in practice that promotion for the outstanding man would be exceptionally rapid, this would be a better way than the adoption of a "starred" system to encourage the most able potential recruits. Such career planning requires candid appraisal of performance; flexibility in the use of salary scales; and room for manoeuvre provided by easing out, without disgrace, some of those who are unsuitable for promotion. More use of short term contracts would help. Efforts are also needed to put a man in the kind of job he can do best and in which he will continually be faced with a new challenge.

20. Pay and pensions must also have an important effect on mobility. At the lower and lower middle levels, differences of pay between the Civil Service and the business world probably do not operate generally against the Civil Servant, but they do at the level of Under Secretary and upwards. For instance the senior man in industry who might enter the Service (including ex-Civil Servants who have gone into industry and would be the more valuable for this experience if they were to return) will be reluctant to sacrifice more favourable pension arrangements—including Top Hat schemes—for the Government scheme. For those who wish to leave the Service (or whom it may wish to remove) facilities for retaining or transferring pension rights are needed, and we recommend that the flexibility which at present appears to apply to relatively high ages and at senior levels should also apply lower down the scale. If the non-contributory nature of the Government schemes makes flexibility difficult, this feature should be re-examined.

21. We are struck by the difference in the way responsibility for the personnel function is allocated in the Civil Service and in industry. The relation between the personnel function of the Treasury and that of individual Departments is similar to that between the headquarters and subsidiary units in an industrial group, the centre laying down general policy and giving guidance, within which the operating units have freedom to act and responsibility for their actions. But in industry the personnel function is not combined with the function of financial control and we much question whether the Treasury is the right place for it in the Civil Service. Nor do we think that responsibility for initial recruitment and for subsequent career management should be split as it is at present. If the best use is to be made of men and if there is to be a continuous process of selection, with intelligent career planning designed to meet the needs of the individual and enable him to fulfil his highest potential, then there must be one Department with functional responsibility for his whole career. Again while postings up to very senior levels are done by Departmental establishment

officers, speed of promotion must vary according to the circumstances of that Department: central over-sight of promotion is the only way to overcome such fortuitous differences. None of this need diminish the responsibility of Departments for personnel, which heads of Departments rightly cherish, but it should provide a broad framework of policy within which the Departmental personnel staff could operate. (Indeed, personnel might well be one of those functions in which a man could choose to specialise in the latter part of his career.)

22. Allied to this question is that of management services. In any large organisation there needs to be not only continuous exposure to the best thinking and practice in this field but also determined leadership from within to provide the impetus for the adoption of the advancing techniques of modern management and organisation. In the Civil Service, as much as in industrial companies, there should be those who specialise in management services as a career and who have frequent contacts with similar specialists in other walks of life, for example through institutions such as the British Institute of Management and the Institute of Personnel Managers.

23. We therefore recommend that the central functional responsibility for personnel selection and career planning on the one hand and for management services on the other should be given to a separate Headquarters Department which would concentrate on these functions alone. It would of course work with the Departmental personnel and O. & M. divisions as at present. But it would have increased authority to establish policy for the Service as a whole and to initiate whatever structural changes were needed to bring all aspects of the work to maximum effectiveness. Such a Department should certainly remain within the Civil Service. The question where Ministerial responsibility for such a Department should rest involves the structure of Government and raises constitutional and perhaps political considerations which are beyond our competence.

The experience of industry as a user of the Civil Service

Consultation

24. Both at the national level and at the level of the individual industry a major part of the relationship between the Civil Service and industry takes the form of consultation, both when a principle is being decided and when the details of legislation are being drafted. At the first of these stages the process is only meaningful if it involves consultation *before* decisions are taken so that the eventual decision may take into account the views of those principally affected: it is not enough that there should be consultation *after* conclusions have been reached, with the limited possibility of marginal improvements. At the second stage, when a political decision has been taken in broad principle, there should be the closest consultation with those concerned in order to make sure that the detailed provisions of legislation, or the method of operation of a policy, are as practical as possible. One of the reasons for some of the needlessly complicated legislation is the absence of detailed consultation in advance. In particular there is highly technical legislation, for instance in the field of consumer protection, trading standards and industrial safety, where Civil Servants and industry, by working out the detailed application together, can avoid unintended results which may be both costly and laborious and even on occasion

self-defeating. Consultation in this area is sometimes inhibited by over-rigid interpretation of the convention that Parliament must see the Bill first and the consequent reluctance of some Civil Servants to discuss the practicalities in advance. In our experience there are variations in the willingness of different Departments and of individual Civil Servants to seek, receive or heed the views of industry. By the same token the more that the organisations of industry show themselves to be representative and capable of giving constructive advice, the stronger will be their claim to effective consultation.

25. With the widening of the area in which Government is involved there is inevitably an increase in the number of subjects which overlap Departmental boundaries. The resulting inter-Departmental machinery can lead to difficulty over consultation at the formative stage in policy making. The reluctance of the Civil Service to acknowledge, let alone display, inter-Departmental differences of opinion to anyone outside can result in consultation being postponed until Departmental differences have been resolved, by which time it is too late to influence the essential argument.

26. The experience of a number of major trade associations and employer organisations whose views we sought is almost uniformly good (see Appendix). There is high praise for the co-operation received, particularly from their sponsoring Departments or other Departments with which they have close relations. Such complaints as we received mainly related to particular problems in dispute.

Communications

27. Uncertainty and delay on the part of the Civil Servant in giving decisions no doubt stem largely from the system of Cabinet responsibility and of Ministerial responsibility to Parliament. Nevertheless they pose major problems for the businessman, who needs to know as quickly as possible where he stands in order that he may take appropriate action. Uncertainty may be so dire in its effects that often he would almost prefer any decision to none. Lack of acknowledgement of the receipt of his request, or its rejection after a long delay without any reasons being given, lead to many of the complaints about "bureaucracy". Recent legislation involving application by industry for payments (for example, the Selective Employment Tax, Investment Grants, and Export Rebates), and where therefore the industrialist has to depend on the discretion of the Department concerned as to the amount he is to receive, adds force to this point and may strain relations between the Civil Service and industry.

28. Government Departments which regularly deal with the general public take much trouble to put over official announcements in a clear and simple style. This is not always true of other Departments, whose communications may be less with the public at large than with industry and those who are professionally concerned. Clear and unambiguous exposition is just as essential here to ensure that industry readily understands the matter at issue; and lack of it is another common cause of mutual irritation and misunderstanding.

29. There is of course some difficulty in reconciling industry's desire for speedy decision, discretion and common sense in applying policy towards the

individual firm with its desire for certainty, non-discrimination and fairness in the treatment of industry generally. To strike the right balance must be a frequent preoccupation for Civil Servants. Put to the choice most industrialists would, albeit reluctantly, give priority to certainty and non-discrimination.

Administrative burden

30. In conclusion we record our concern at the strain imposed on the Civil Service by the weight of detailed administration entailed in some recent Government measures. Industry itself of course also suffers an at least equal strain and cost. If this trend is not rapidly halted, the Service, which we believe to be already seriously over-stretched, will be forced willy-nilly into further expansion and into still greater demands on the nation's scarce resources of able people. Its own recruitment problems, and with them those of industry, will thus become even more difficult—at great cost to the potential for growth of the nation's wealth.

Summary of Principal Recommendations

- Para. 3. Because of the changing problems which have to be faced, there is more need than ever before for an effective working relationship between Government and industry. Each must understand the other's approach to what are increasingly common interconnected problems.
- Para. 4. Many Government activities now call for similar attitudes and skills to those required of business management. The Service should more fully recognise the management function, watch for the man who shows a managerial bent, help him to develop the necessary skills and see that successful performance is rewarded.
- Para. 5. Because of the increasing number of matters requiring a wide range of technical knowledge there should be more use of modern control techniques, management information systems and research.
- Para. 6. In areas of Civil Service activity which most nearly resemble business operations, business methods and criteria should be more widely used. Wherever possible such activities should be "hived off", as is now to be done with the Post Office, to allow more flexibility in day-to-day operations.
- Para. 7. Industry requires the Civil Servant to be understanding and sympathetic. He does not necessarily have to be technically expert in industrial matters but should be convinced of the importance of an efficient industry in the national life. Industry needs to feel that the Civil Service is understanding of its problems and not antagonistic to it.
- Para. 8. A greater degree of mobility is required so as to create a Civil Service in which men from different specialisations and with varying experiences can play their part more fully.

- Para. 10. Mobility should be, and should be seen to be, of advantage to a man in his career.
- Para. 11. Because of the serious inconvenience to industry of frequent movement of officials, not all the officers concerned with a particular subject should be moved at the same time.
- Para. 12. The period of mobility should be broadly the first third of a man's career. In the remainder he should specialise within a Department or a group of Departments so as to acquire depth of knowledge and experience.
- Para. 13. While intellectual ability is essential for the Civil Servant, weight should also be given to personal potentialities such as initiative, common sense and energy. "Numeracy" is as important as literacy.
- Para. 14. There should be a broader base for selection for the top jobs so that they are open to all suitable people whether they have started their careers in the Administrative, Executive, Professional, Scientific or Technical Classes. The Treasury proposals for merging the Administrative and Executive Classes into a single structure are welcomed, but not its proposal for a type of "starred" entry for the brightest intellects.
- Para. 15. There should be more recruitment into the Service at ages and stages senior to normal University recruitment. Some of the more senior posts should be opened to the outside world.
- Para. 16. Young administrators as part of their training should be given the opportunity to see a wider range of types of work undertaken by Government service. There should be more opportunity for Civil Servants and men from industry to take training courses of various kinds together.
- Para. 17. Career planning should identify the scientist or technologist in the Civil Service who shows a bent for administration, who should be encouraged and trained for wider responsibilities.
- Para. 18. The Civil Service should not fail to provide for a few of the most outstanding entrants who were recruited as school leavers but who require a university education if they are to reach their fullest potential.
- Para. 19. There should be greater rewards for success and initiative and greater penalties for failure. Promotion for the outstanding man should be speedy. There should be increased means of easing out some of those who are unsuitable. More short-term contracts should be offered, especially for scientists.
- Para. 20. The Civil Service pension scheme should be made more flexible to help movement in and out.

- Para. 21. If the best use is to be made of men and if there is to be a continuous process of selection, with intelligent career planning to meet the needs of the individual, there should be one Department with overall functional responsibility for the Civil Servant from recruitment onwards, providing a broad framework of policy within which Departmental personnel departments would operate.
- Para. 22. There should be continuous study of new techniques in the field of management services and the impetus for their adoption. Those who specialise in management services should maintain contact with similar specialists in other walks of life.
- Para. 23. Personnel selection, career planning and management services should be separated from the Treasury and placed in a new Headquarters Department, which should however remain within the Civil Service.
- Para. 24. To be meaningful, consultation with industry should mean consultation *before* decisions are taken. Once a decision has been taken in broad principle there should be close consultation on its application.
- Para. 27. Uncertainty and delay by Civil Servants in giving decisions pose major problems for businessmen and where an immediate answer is not possible, there should at least be acknowledgement and explanation.
- Para. 28. Communications by the Civil Service to industry should be expressed in clear and unambiguous terms.
- Para. 30. The weight of detailed administration entailed in some recent Government measures has imposed a severe strain on the Civil Service as well as on industry. If the trend is not halted and the Civil Service is forced into further expansion, its recruitment problems, and those of industry, will become even more difficult, at great cost to the potential growth of the nation's wealth.

APPENDIX

EVIDENCE TO THE FULTON COMMITTEE

THE EXPERIENCE OF TRADE ASSOCIATIONS AND EMPLOYERS ORGANISATIONS AS "USERS" OF THE CIVIL SERVICE

The C.B.I. invited comments from the Directors of some thirty-five leading Trade Associations and Employers' Organisations within its membership. A brief summary of their replies to specific questions is given below.

1. General experience over consultation, e.g. speed of getting a decision, consistency of policy, continuity of personnel

The general experience is mainly good. In particular, relations with sponsoring departments are in most cases excellent: officials in other departments are sometimes more remote and less sympathetic.

It is generally easier for a Trade Association or Employers' Organisation than for an individual firm to understand the point of view and the procedures of the Civil Service and this makes for more satisfactory relations. Such organisations can also do much to improve relations by enabling Civil Servants to see something of their industries at first hand.

Some find that consultation often comes too late, or at such short notice that there is not enough time adequately to consider important policy issues. Others report that sponsoring departments initiate informal and confidential discussion at an early stage when Ministerial action is under contemplation, and do so even when the issue is not within the direct responsibility of the Civil Servants concerned.

One Association reports that negotiations on contract matters and on prices are invariably long-drawn-out but that inspection matters are dealt with reasonably quickly and efficiently. Another organisation comments that although it is frequently used by Government Departments as a source of information when help or advice are needed, the situation changes when the organisation itself wishes to discuss aspects of pending Governmental action: then Civil Servants tend to become withdrawn or secretive, even where it is subsequently found that there was no obvious need for secrecy. There are other criticisms on this point and in particular there appears to be difficulty in obtaining information on draft bills which would allow an organisation to advise the Department concerned more effectively.

Experience on speed of getting decisions varies. Sometimes there is reasonable speed over important issues but long delays over less important ones. Generally speaking there is little serious criticism on grounds of delay but where it occurs, it appears sometimes to be the result of disruption caused when responsibility for an industry has been transferred from one Department to another (and this is corrected when the new sponsoring department has gained more experience of the industry) or of lack of continuity among Civil Servants concerned with a subject.

Lack of continuity is a common criticism. Although it is generally appreciated that movement of Civil Servants may be in the best interests of the individuals concerned, it leads to difficulty and delay, particularly when the more senior levels are involved. Continuity is particularly desirable in international matters. One Association points a contrast with the same industry in other O.E.C.D. countries where officials have long-standing connections with the industry and attend O.E.C.D. meetings with the industry's own representatives as an integrated team with all the advantages of accumulated experience. Industry would find more stability helpful for instance by leaving Civil Servants longer than at present in one post, by giving more advance warning of movement, and by ensuring that where several Civil Servants are engaged on the same subject, they should not all be moved away at the same time.

2. Problems arising when the issue involves more than one Government Department

To one organisation delay in getting a decision appears to lengthen in proportion to the number of Ministries involved, although this can sometimes be remedied if one of them can be persuaded to "set the pace". Others point

out the value of good relations with the sponsoring department in overcoming difficulties where contacts with other Ministries are involved. However, they regard flexibility and room for manoeuvre as essential, including freedom for an industry to decide whether or not its sponsoring department should be used as an intermediary in specific cases. One comments that in general the various Departments work in fairly close harmony with one another, although this does not necessarily work to the advantage of the industry!

Difficulties sometimes arise where an industry, apart from its main sponsoring department, has relations with another Department which has a marginal interest in the industry.

3. The degree of understanding which is found among Civil Servants of the implications for industry of this or that policy

The most satisfactory experience relates to the sponsoring department, but individual Civil Servants are on the whole said to show good understanding and a sympathetic attitude. One Association has met a higher degree of understanding in the economic and commercial spheres than in technical matters: another the reverse.

4. The extent to which it is necessary for the Civil Servants dealing with an industry to be technically informed and how far they measure up to this requirement

Some technical knowledge is found valuable although a distinction is drawn between Civil Servants in those departments where most Civil Servants need to be, and are, technically qualified, and those whose work is concerned with more general matters. One Association comments that while there are occasions when it would help if a Government Department was technically informed, there might sometimes be a danger of a department assuming that its staff were sufficiently qualified technically to dispense with consultation: in this industry the right balance is however being struck.

Some Associations arrange factory visits to enable Civil Servants to see industry's problems at first hand. Industry can help its relations with Civil Servants by developing such contacts: positive effort is needed to encourage Civil Servants to get out and about in the industry with which they are concerned.

5. Problems in ascertaining the appropriate point of contact

No difficulties are reported.

6. The ease or difficulty of day-to-day relationships with Government Departments, e.g., on points of detail concerning the implementation of policies concerning industry

When close relationships have been established, they are extremely satisfactory and a generally sympathetic and helpful response is met. Informal and formal contact need to be used deliberately to build up such relationships. General experience is good. Exceptions, where they arise, usually seem to result from lack of continuity.

7. Other comments

(a) *Civil Servants in the Regions*

There is some suggestion that Government officials in the Regions are too often obliged to refer matters to London for decision. Experience varies, however, and there is high praise for a number of Regional offices. Even where their powers of decision are limited, they are often most helpful in supporting a case put up by an industry.

(b) *Confidence*

Information supplied in confidence by a Trade Association or Employers Organisation for a specific purpose should not be subsequently used by a Government Department, without reference back, for other purposes where it might work to the disadvantage of the industry concerned. Some Associations are worried about this point and fear it could imperil good relations.

MEMORANDUM No. 68

submitted by

THE CONFEDERATION OF BRITISH INDUSTRY

March, 1967

Problems of Recruitment

1. Two questions were put to the C.B.I. by the Fulton Committee:

- (a) whether there was an upward or downward trend in numbers and/or quality of recruits straight from school, i.e. whether further education was now creaming off the best school-leavers to the point at which industry had to recruit a graduate of the quality of the former school-leaver;
- (b) whether the young industrial recruit was apt to become bored or discontented in his first few years because he was not stretched or interested by his work, how industry dealt with this problem and how it should be dealt with.

A number of firms were asked for their views on these questions, and their replies are summarised below.

2. On the first question, there is no doubt that the increased facilities for higher education have resulted in a downward trend in the numbers of recruits who come direct to industry from schools with good results in five "O" levels and also of those with two good "A" levels. Industry has therefore had to accept somewhat lower standards for its school entry or to restrict recruitment from this source and increase recruitment at graduate level. The problem is particularly marked in some areas such as South Wales. On the other hand the situation where more are educated to a higher level is welcomed, since industry is continually increasing its demands for knowledge and skill. There is some feeling, however, that a number of those continuing in full-time education would be better advised to take more vocationally-based courses instead. Of particular significance in this context is the development of "student apprenticeships" for boys leaving school at eighteen with good "A" level attainments only marginally less than those required for university entrance, which provide an acceptable and alternative route to, for example, professional engineering status.

3. The rationalisation of sixth form curricula to give the pupil some preparation for industry, might help to attract more "A" level leavers to sandwich courses. Meanwhile the educational improvement at the lower level of ability (i.e. leavers with less than four "O" levels) could lead to a fresh supply of suitable industrial recruits.

4. As to the second question, there is always a danger of boredom and discontent at any level of entry. Most of the firms conscious of this problem seek to overcome it by introducing systematic and demanding training programmes, the value of which they emphasise. Concurrent further education is of value to most forms of industrial employment, and recruits are encouraged to attend day-release courses and to obtain profession qualifications.

5. One firm listed the following arrangements made for the new recruit:

- (a) The entry in any one year join the company in September and are kept together as the "Class of 1967" until the end of the year, to give them a corporate identity and to provide them with a first opportunity to work in groups. The initial induction period includes instruction on the organisation and policy objectives of the company, an introduction to the background of research and development, production and productivity, marketing and selling, management planning and management accounting.
- (b) The entry (normally in pairs) then undertake two periods of employment with responsibility, each of fifteen months in two different subsidiary companies, the second of which may be overseas. The entrants undertake work in two out of the three functions—manufacture, marketing or administration.
- (c) Intellectual stimulus is maintained by means of giving each entrant a *live* project to undertake once a year in his own time. It is set by the management of the subsidiary company in conjunction with the Central Training Department.
- (d) In addition encouragement and opportunity is given to entrants to undertake examinations to improve their qualifications or to attend at a university or College of Technology. Fees are met by the company and an award is given to successful candidates. Shorter functional courses both internal and external to the company are also included during this period.
- (e) Management progress reports, monitored by the Training Department at the centre, are analysed at the end of the first three years of planned employment; and, after discussion with each candidate, a decision is taken where best to place him for the next five years of his employment.

6. Introductory programmes such as this are designed to acquaint the recruit with as many aspects as possible of the work carried out by the firm. He should then be able to see the dull routine work in its perspective as a necessary hurdle to be overcome during his apprenticeship. Specialist skills should be built on this broad basis of training, in a planned progression and with increasing responsibility. If the work of the recruit can then be geared to his capabilities, the frustration of under-employment or over-employment will be avoided.

7. On this aspect of the problem the following comments by different companies may be of interest:

- (a) "Apart from the industrial giants, a great many companies are finding it difficult usefully to employ graduates in the first years or so. Graduates are normally keen to do useful work, but quite often, due to their lack of experience find themselves doing fairly menial tasks."
- (b) "Jobs must obviously be so organised as to make an even level of demand on the individual as far as this is possible. Clearly, a job which is demanding professional standards at one moment and clerical labour the next is unlikely to be satisfactory. . . . We have some experience of recruiting ex-Civil Service officers. . . . We get the impression that the Civil Service is still considered by a sector of society as being work of distinction and social standing, and for this reason young people are encouraged to go in for it. The effect may be that the Civil Service recruits, as a result, young people seeking these jobs, whose abilities are well above them. Such individuals joining our company would be provided with day release for further education, to study some such course as the O.N.C. in business studies, and this would provide a number of avenues for progression. Routine clerical duties would be undertaken by boys or girls with lower qualifications than those demanded for entry to the Clerical Civil Service."
- (c) "From time to time we interview young men who seek to leave the Civil Service and move into industry. Our impression is that these young men are not under-paid but are under-worked, and that if they had reached the same salary level with us a good deal more would be demanded of them."

8. Under-employment is less of a problem when training schemes are introduced, and the question is asked whether the opportunities for obtaining further qualifications in the clerical grades of the Civil Service are being sufficiently exploited. In addition to accountancy there are many opportunities in the fields of organisation and methods, automatic data processing, office management and personnel selection.

9. It is seen as the responsibility of the management, and in particular of the Head of Department, to try to continue the demands made on the individual in the work situation, following the initial training programme, so that he feels his development is a continual process. To quote one company: "Since what the trainee does is primarily the responsibility of the Head of Department or somebody designated by him, the experience the trainee gets is very dependent on the understanding of this individual. Very few Departmental Heads or anyone responsible for other people, readily recognise their responsibilities for individual development (whether it be a trainee or a member of their staff) and there is no doubt that more emphasis is needed on this aspect of management".

10. While this need for sympathetic supervision is important, the first step which should be taken when the problem of boredom arises is to revise training arrangements. One firm suggests that a solution might be found for the Civil Service "by looking at the existing 'management' structure, and considering the revisions necessary to meet the changing pattern of entrants"; and com-

ments that while the "Government is prescribing Industrial Training Board medicine for everyone else, they do not appear to be doing so for the Civil Service".

11. Where the promotion ladder is blocked several firms stated that the employee is encouraged to leave the company rather than become frustrated in his work. One firm noted that this applied to accounts clerks who could take professional qualifications by day release, or evening classes, and sometimes found that they had educated themselves out of a job. Efforts are made to assess the suitability of a recruit in the first six months and should he prove unsuited to industry, he is assisted to pursue a different career. Usually, however, monitoring procedures are successful in finding the type of work which best suits the recruit's abilities, and training programmes maintain his interest and provide for his continual development.

submitted by

THE CONFEDERATION OF BRITISH INDUSTRY

April, 1967

Exchanges between the Civil Service and Industry

1. In paragraphs 8 to 12 of its evidence¹ to the Fulton Committee the C.B.I. wanted mobility to be recognised as a valuable advantage to a Civil Servant in the early part of his career and offered to put forward some suggestions on overcoming obstacles to mobility so far as exchanges with industry are concerned, based on such experience as there is of short-term secondments between industry and certain Government Departments.

2. This paper will discuss mainly the secondment of Civil Servants to industry. We doubt whether the concept of exchanges with equivalent movement both ways is very rewarding. Companies we have consulted mostly believe that the time away from normal work for a promising man that would be involved in seconding him to a Government Department would nearly always be better spent from his and their point of view in other ways, for example at a management or business course. Nor would such secondments contribute much to the better understanding of the Civil Service by industry since only a tiny proportion of rising industrial executives could be involved. (This is not to rule out secondments from industry to the Civil Service in particular cases or where, as recently, the Service has a temporary need of reinforcement in a particular grade or area.)

3. The case is different in the other direction, for the numbers of what are at present classed as "administrative" Civil Servants in the economic departments are not large; and a systematic programme for giving the younger men some exposure to industry's ways of thinking and working could in a few years have involved a significant proportion of the whole. The support and help of industry could be sought and gained on the basis of the benefit to industry of fostering in the Civil Service a better understanding of its problems and attitudes.

4. A second general point is that we see secondments of Civil Servants to industry as only one of many methods that should usefully be used in pursuit of the objectives stated in our main evidence, and that the choice in the individual case should be part of the process of career-planning and development

¹ Memorandum No. 67.

which we have advocated. Thus in paragraph 16 of our main evidence we referred to the desirability of Civil Servants taking part with industrialists in many different kinds of management training courses and of joint seminars and conferences. We think, too, that there may well be room for the development of new courses specifically designed for joint membership, for example on such subjects as computer applications and overseas trade. We feel that a variety of methods of exposing Civil Servants to industrial life, by different forms of interchange and joint experience, should be adopted: exchanges should not simply be reduced to one or two regimented schemes. Another possibility, though of perhaps less benefit than secondment into companies, would be to arrange a few secondments into one or other of the major trade associations, and also to the C.B.I., who would be very ready to explore this forthwith.

5. In considering secondments to work in industry, different treatment will be required for the specialist and the non-specialist Civil Servant. For the latter the main problem is to find him a worthwhile job while he is in industry. There is a useful place for the short secondment, not exceeding three months at the maximum, designed as a method of acquiring general information about industry with the Civil Servant "sitting in" as an observer on industry's work. This apart, with some previous schemes it may well have been a mistake to have taken in Civil Servants of too high an age group or seniority group. Some of the companies we consulted feel that much longer, perhaps two years, would be needed before a Civil Servant in his thirties—say of Principal rank—could have acquired enough direct experience of the industry to be entrusted with real responsibility in an equivalent job—before he could in fact be entrusted with "profit accountability". Moreover, in the Foreign Office scheme, in which it was intended to exchange officials of about thirty-five and over, the Foreign Office found the greatest difficulty in sparing men of this level of seniority for long enough.

6. Civil Servants of slightly less seniority, say in their twenties, can much more easily be given suitable responsibilities in industry. Companies gave examples of schemes which acquaint their own trainees with management thinking and methods. The trainees spend about six or eight weeks at company headquarters and they are given a project which involves finding out about the entire operations of the company—for instance, a market research project or a project covering all the different applications of a single raw material. Companies also cited schemes in which they give vacation jobs to people from business schools—usually postgraduates who have already had some experience of industry. Equivalent work would be suitable for Civil Servants after their initial Civil Service training. Such schemes can quickly provide a measure of responsibility as well as general information about industry.

7. The experience to be gained will, of course, vary according to the type of industry involved. A Civil Servant seconded into capital goods industries will probably not see any results of his work, compared with the relatively short-term results of some decisions in consumer industries: on the other hand, he will get valuable experience in planning and working on a long time-scale. Experience in consumer goods industries will demonstrate different lessons in marketing. Still further lessons are to be learned from the ways of thinking and the problems of large international companies.

8. For specialist Civil Servants such as scientists, engineers and accountants it will be much easier to provide worthwhile work on secondment to industry. We consider that the most useful type of exchange will be to give the specialist Civil Servant in industry work which is related to his own, but is not an exact replica of it. There would for instance be little to be gained by a scientist in a Government research station taking exactly equivalent laboratory work in industry, but much by his undertaking development work. The same concept could be applied to non-professional specialists—for instance by officials from the Ministry of Technology being given experience in industrial marketing, or Ministry of Labour officials concerned with safety, health and welfare having the opportunity to see these problems being tackled from the other end. Such examples could be multiplied.

9. In all these matters we regard systematic career-planning as essential if joint training experiences and secondments are to make a real contribution to a man's career and not simply be a more or less interesting break from his normal work. Career-planners on both sides must be determined to make such schemes work and to find the right kind of person to make a success of exchanges. Companies who have had experience of such exchanges now attach great importance to planning in advance the job to be taken up on return by personnel seconded to the Civil Service, and also to personal attention at a high level being given to Civil Servants on secondment to them. On the Civil Service side, the new Headquarters Department we have advocated in paragraph 23 of our main evidence, would be the natural focal point to determine policy, to work out details of payment, pensions, etc., and to establish the necessary links with industry so as to co-ordinate the approach to individual companies. The C.B.I. would be glad to co-operate with the Civil Service in this and to assist in the development of joint training and secondments on a larger scale and on a more systematic basis than hitherto.

MEMORANDUM No. 70

submitted by

THE CONFERENCE OF THE ELECTRONICS INDUSTRY

December, 1966

Considerations

1. The Conference of the Electronics Industry in submitting its evidence to the Fulton Committee on the Civil Service wishes to make it clear that its observations and proposals relate primarily to those sections of the Civil Service with which the Electronic Industry is mainly concerned. In Defence, Civil and Military Aviation, Telecommunications, Computers and Industrial Electronics, the Civil Servant has to face many new and complex problems. The efficiency of the Service and the Civil Servant himself in such areas has a direct bearing on the well being of the Electronic Industry and of its contribution to the National Economy. It is to this problem we as an industry have directed our attention.

2. The relationship between the Civil Service and the Electronic Industry is a most important one. Government business represents a major proportion of our total business. In 1964 and 1965 in the Capital Equipment Section of this Industry, Government deliveries represented 40 per cent of total deliveries.

The efficiency with which this business is conducted is of major importance to the Nation. It can have a significant bearing on the economy and on the effectiveness of national defence. Failure to achieve cost effectiveness and to control price escalation can produce serious strain on the economy of this country. On the other hand, the skilful and imaginative use of such purchasing power can not only provide effective national defence but can by way of exports and import reduction make a major contribution to the balance of payments.

3. Implementation of the spending power of the Government calls for special qualities. Such spending as far as the Electronic Industry is concerned is largely and increasingly in the area of complex and advancing technology and the effective planning and use of such spending power demands a highly professional knowledge of the subject. Such professional knowledge applies not only to the technologies involved but to the problems of effective direction and control of major programmes involving these technologies.

4. The execution by industry of any major programme for the Government involves considerable joint action with responsibilities and controls extending across the "interface" between Government and industry. Such an interface is in terms of the management task an artificial and dangerous frontier and one which greatly adds to the complexity of the problem that exists. The "we" and "they" attitude that inevitably develops with such an interface can be

highly detrimental to the efficient conduct of the business with which the Civil Service and the Industry are jointly concerned. There can be no doubt that such a problem exists and that it has contributed to lack of success in many projects.

5. The nature of the relationship between the Civil Service and the Industry has changed very considerably over the last thirty years. For example the complex problems of military weapon systems development, with all the involved Government/Industry relationship, then existed in a limited form only. The involved considerations of national support for advanced and barely understood new technologies are problems with which the Civil Service of the 1930's had little or no concern. The duties of the Civil Service in the area we deal with were to implement Government fiscal policy, control the budgets and ensure that the relatively simple needs of the armed forces and the Post Office were met within the budget. The complex inter-relationship of finance, administration and science that dominates modern Government decision making hardly existed in the terms we understand it today.

6. Government management in these areas is being carried out by an organisation which has adapted itself to the demands of today but which is basically unchanged from the Civil Service of fifty years ago. While the adaptive processes have to a degree been successful, they are under the pressure of modern demands showing increasing signs of no longer being equal to the task.

7. It would be grossly unfair to suggest that it is the Civil Service alone that is failing to grapple effectively with the problems of today. There is another interface which is not equal to the demands of life in the technology of the 20th century. This is the interface between the Civil Service and Government. Because of the magnitude of modern technological problems and their impact on the economy, complex and involved decisions are being taken by politicians who for the most part come no better equipped to the task than their Victorian predecessors. Involved problems in the field of advanced technology which may be understood in depth by the specialist of industry and in the round by the wider looking Civil Servant, have to be translated to a simple issue for the untrained politician who must be the final arbiter. In such translations and simplifications, the vital issues are frequently lost or distorted. Equally industry has to ensure that its own attitudes and abilities are equal to the demands and challenges of the intensely competitive age in which we live and where Britain no longer enjoys many of the advantages which were formerly hers by right.

8. The Civil Servant of today is frequently responsible for the conduct of a complex modern business. Such men must, therefore, possess the education, experience and ability necessary to discharge such responsibility with high efficiency. They must be highly professional in the area of responsibility that is theirs. Professional qualifications essential to such duties must include:

- (a) A sound knowledge of the technologies involved;
- (b) An understanding of modern management methods necessary to direct and control the use of the technologies involved;
- (c) An attitude which is receptive to innovation and change;
- (d) Qualities of leadership, decision making and a willingness to accept responsibility.

To satisfy these needs it is essential that the future structure of the Civil Service should permit the recruitment of men and women capable of meeting the above criteria. It is even more essential that the attitude of the Civil Service should be such that people of high ability in the above respects should be attracted to a career in the Civil Service and that they should advance within it.

9. If the duties of the Civil Service are to be more effectively performed and if men and women of the right qualities and abilities are to be attracted to it, it is essential that special consideration be given to the problems of decision making. No modern business could be effectively conducted by the Committee system that now dominates so much of Civil Service decision making. Committees rarely make good decisions; they all too frequently make no decisions. The whole problem of delegation of responsibility and decision within the Civil Service needs a drastic overhaul and it is essential that a new structure should enable men at all levels to make decisions appropriate to their level and that the promotion system should definitely encourage the man who is prepared to make such decisions and to let his career prospects be assessed on his record.

10. The Civil Service as at present constituted offers a lifetime career to all who are admitted to the status of permanent Civil Servant, conditional only on the integrity of their personal behaviour. For this and other reasons, the British Civil Service is unequalled in the world for its reputation of honesty and integrity. It is essential that this reputation be maintained but, at the same time, it must be recognised that no other organisation offers such a guarantee of lifetime employment.

Industry and commerce have their own ruthless methods of eliminating from their ranks those who for one reason or another cannot meet the demands placed on them. The armed forces have their system of shedding those that cannot measure up to the responsibilities of senior rank. But the Civil Service offers a safe and progressive career to all who qualify and enter without regard to their future capability and performance. This may be humane; it is undoubtedly a factor in ensuring the integrity of the Civil Service but it cannot under modern conditions be conducive to high efficiency.

Recommendations

In the light of the foregoing considerations, the Conference of the Electronics Industry recommends:

- (1) The career structure of the Civil Service be so designed as to ensure the recruitment and selection of men and women who shall be by education and experience possessed of high professional knowledge in all areas of technology and management with which the Civil Service of the future shall be concerned.
- (2) To achieve this and to ensure that there is within the Civil Service experience based on industrial background, the structure and recruitment should be designed to permit entry at different age levels (see 7 below).
- (3) The selection methods should place considerable emphasis on qualities of leadership and willingness to accept responsibility for decision taking.

- (4) The selection methods should ensure that within the Civil Service there is an adequate corps of men and women who understand and utilise to the full all appropriate methods of modern business management.
- (5) The career structure within the Civil Service should be designed to bring to the highest levels men and women of high ability, irrespective of the method of entry or initial career grading. To this end the structure should be flexible. Grading or method of entry should constitute no bar to progress.
- (6) It must be recognised that the next decades will introduce many new and complex challenges to the Civil Service and to this end any new structure must itself be suited to rapid evolutionary changes. So also must be the attitude of the Civil Servant of the future.
- (7) To permit the elimination from the Civil Service of men and women who are no longer capable of meeting necessary standards and of the introduction of new blood with modern industrial and commercial experience, it is recommended that a system of Contract Service should be introduced. By this means considerable two-way interchange of personnel would develop between the Civil Service and industry. It is suggested that consideration should be given to:
 - (a) *Short Service Officials* who would enter at any age up to forty years for a contract period of five years.
 - (b) *Career Officials*
 - (1) First contract of ten years duration followed by selection for second contract or release with appropriate pension entitlement.
 - (2) Second contract of fifteen years followed by selection for further contract or release with appropriate pension rights.
 - (3) Third contract to retirement age.
- (8) Means should be explored by which the mutual understanding of Civil Service and industry of each others problems can be significantly improved. Amongst possible proposals that could be effectively pursued is one that there should be established a central research unit to which suitable men from both the Civil Service and industry should be attached for a period. The task of this research unit would be to investigate in depth major problems which are of importance to industry, the Civil Service and the country at large. Such a unit, equipped with an adequate permanent staff and supported by a strong team attached as suggested, could undertake many of the involved investigations which are placing an increasing load on both industry and the Civil Service. Many of the questions for example raised by the Department of Economic Affairs and by the National Economic Development Council organisations, have to be dealt with by both the Civil Service and industry as a spare time activity. Adequate consideration cannot be given under these conditions. The existence of such a research unit would provide the means for proper investigation and would, at the same time, provide a meeting point at which the Civil Service and industry could jointly examine problems which are of mutual concern.

MEMORANDUM No. 71

submitted by

THE CONSUMER COUNCIL

Presented by Miss E. Ackroyd, a member of the Council and its Director

November, 1966

1. The terms of reference of the Consumer Council require it to inform itself about consumer problems and matters affecting consumer interests; to consider the action to be taken to deal with such problems and promote that action; to provide advice for the consumer; and to publish an annual report.

2. The Council has no statutory powers or duties. It is required to publish an annual report, but this is neither a report to Parliament nor a report to the Board of Trade (its sponsoring Department).

3. The Council is financed almost wholly by an Exchequer grant (£180,000 in 1966-67). As a body which depends on a grant-in-aid for more than half its income, its financial and staffing arrangements are subject to certain conditions imposed by the Treasury via the Board of Trade. These are designed to ensure that in these fields of activity it operates on more or less the same lines as does the public service.

4. The Secretary of the Fulton Committee suggested that in our evidence we might wish to distinguish between the following two broad aspects of the work of the Civil Service:

- (a) its managerial functions, which involve it in negotiation, financial control and carrying out Government decisions;
- (b) its functions in evolving advice to Ministers before Government decisions are taken.

5. As a grant-aided body the Council is very much concerned with the first aspect of the operations of the Civil Service. It is also concerned in its capacity as a watchdog for the interests of consumers, because in that capacity it is interested in the way in which Government Departments administer statutory provisions and Government policies for consumer protection and the way in which they deal with their "consumers".

6. The interest of the Council in the second broad aspect of Civil Service work is that Government action to promote the interests of consumers should be taken on the basis of informed (and impartial) briefing by Civil Servants on the issues and facts involved.

7. We approach the Civil Service therefore primarily as a "customer", not as an independent observer or as an organisation with analogous problems in relation to our structure, etc. While we do have some analogous problems in this field, they are simply a reflection of the fact that our conditions of pay and service are tied to those of the Civil Service; they do not arise from factors inherent in our organisation or operations.

Advisory function of the Civil Service

8. Given the constitutional position of Ministers as responsible to Parliament for all the acts of commission and omission of their Departments, the advisory function of the Civil Service is still the core of its being. The constitutional relationship between Ministers and Civil Servants is well understood by the outside world, although there may be a variety of opinions—and speculation and gossip—about the extent to which Civil Servants are *de facto* masters. That is not relevant to this evidence. The question with which it is concerned is whether the advisory function is exercised efficiently and can be seen to be so exercised by those seeking to influence Government policy or action, and indeed by anyone who has dealings with Departments.

9. Probably the feature which sticks out most like a sore thumb in any dealing which the outside world may have with the Civil Service is the delay in obtaining an answer, let alone a decision. The outside world will realise that in many cases a ready answer is not possible. For example in a matter which involves a new development of policy Ministers will have to take into account many considerations both political and parliamentary. There is also the sheer volume of business which besets them. Yet too often the tone is set by the fact that letters are not answered (even with a plain acknowledgement) by Departments for weeks on end. Representations or even simple requests for information seem to disappear into limbo.

10. This is more than a question of the creaking of a cumbersome machine—which modern Government is virtually bound to be, with all its responsibilities and preoccupations. It is also a question of public relations. It is not a case of wanting to substitute the image for the reality (perhaps too cynical a view of professional public relations?), but of persuading the Civil Service that to an organisation or an individual with some particular preoccupation or some particular proposals, it is a matter of vital concern to know that the public service has regard to the importance of these preoccupations or proposals to those who put them forward.

11. A second feature which strikes the outsider is that passing the buck is too prevalent an occupational disease in the Civil Service. The complexity of modern government means that while on the one hand the impact of economic policy for example, on a wide range of departmental activities, must mean that liaison between Departments becomes ever more important, on the other hand there is ever greater fragmentation of function. But it too often seems to the outsider that the Civil Service makes the most of this rather than the least.

12. There is a very real sense in which the frustration which the citizen feels because he cannot pinpoint responsibility in Whitehall is justified. Decision-making does now seem to have become hogged down in a welter of committees. Ministers are responsible for answering in Parliament for the actions of their Departments, yet these actions may have been determined by an inter-departmental committee—in which the point of view of the Department nominally responsible may have been defeated. But might a partial answer at any rate to this be to take the risks of letting Departments determine their own policies to a greater degree than they do now? The consequence might be that from time to time inter-departmental differences and contradictions were exposed to the vulgar gaze and criticism attracted thereby. But more public debate on the differing points of view of different Departments might be healthy for the Civil Servants in them. Moreover the accident of departmental responsibilities may lead to suppression of real argument between the claims of different interests. For instance the responsibility of the Board of Trade in the past both for export and for general home industry led on occasion to settlement within the Department of issues affecting both simply in order to present a monolithic departmental view.

13. It is realised that the kite flown in the preceding paragraph has important implications for the doctrine of collective cabinet responsibility, and that these are not the concern of the Fulton Committee. But the present procedure undoubtedly contributes to the rather cloistered, claustrophobic atmosphere in which the Civil Servant works.

14. Allied to the Kafka feeling of frustration which too often afflicts the citizen when confronting Whitehall, is the feeling that Civil Servants are only concerned to keep Ministers out of trouble. That is certainly and rightly one of their functions. They should try and stop Ministers from overriding the law, or Parliament, or the constitution, but too often they carry this to the point of advising against breaking with tradition or giving the frank answer, or exposing the Government to criticism (even if justified).

15. So that the feeling arises that the gloss put by Civil Servants on representations when they brief their Ministers about new policies is designed to minimise the awkward view or the contrary view. Above all to prevent Ministers from being "troubled" by what the Civil Service regards as unimportant matters. Of course, Ministers cannot be at the receiving end of the full weight and detail of representations from many different quarters when they are trying to make up their minds what decisions to make on policy issues. The outsider does, however, have an uneasy feeling too often that the weight given to different issues when they are put to Ministers is determined more by the Civil Servants' desire to fit them to some pre-conceived idea or pattern than by an objective, dispassionate assessment. This is not, of course, in the least to impute any political (in the party sense) colouring or motives to Civil Servants. It is simply that they are not very good at putting themselves in other people's shoes.

16. The jibe that is often heard about Civil Servants in economic Departments that they have never had to make a profit or sell anything is usually made

unfairly, but it does have a sub-stratum of truth. The necessity imposed on the businessman, if he is to be successful, of judging the reactions of the market to his actions, is too little realised by the Civil Service. Ministers must judge parliamentary and political reactions—although Civil Servants do in fact very often acquire quite a good nose for this kind of thing themselves. What they do seem to find it difficult to do is to take the practical down-to-earth view—the view of the man in the street. This seems particularly to be the case with Treasury staff. There a pride almost seems to be taken in insulation from the world whose destinies they may be controlling.

17. This remoteness from the life of the market place links up with the cocooned existence of Civil Servants so far as security of employment is concerned. A partial remedy for it would be more cross-fertilisation between the Civil Service and the outside world, particularly industry and commerce. A harsher remedy would be to abandon the idea of the Civil Service as a lifetime dedicated career (the dedication perhaps too often nowadays being felt more by those who would be rather unlikely to be successful in the outside world than by those who are given the opportunity of making good there) and to operate the Civil Service on the basis of contracts of service for limited periods, renewable at the option of either side from time to time. This would involve changing the Civil Service pension scheme into a contributory, transferable one.

Managerial aspect of the Civil Service

18. Comments on this aspect of Civil Service work are related to the experience of the Consumer Council primarily as a grant-aided body. This means that the comments arise from a particular field of experience. We believe, however, that not only are they applicable to grant-aided bodies as a whole, but also that they reflect features of the outlook and techniques of the Civil Service which are of much more general significance. The gulf between the civil servant and the outside world has been stressed in the previous section of this evidence. By paradox the somewhat uneasy partnership between the Civil Service and grant-aided bodies in some ways suffers from the same gulf. The friction of the marriage bonds is accentuated by the different preoccupations of the two parties.

19. The Treasury conditions for grants-in-aid for bodies such as the Consumer Council follow a fairly uniform pattern, although there are differences in detail between one body and another, largely due to historical reasons. The essence of them is that a rather close degree of control over staffing and conditions of service is maintained, while at the same time there is no interference by Government Departments with policy on the issues with which the organisation has been set up to deal.

20. Ministers and civil servants do set out faithfully to observe the independence of action on policy matters of grant-aided bodies. This is particularly conspicuous in the case of the Consumer Council, since we are an organisation which deals with many matters of political and popular concern and the views we take are sometimes not palatable to the Government. Nonetheless, there has been no attempt, particularly in the case of the Board of Trade, our

sponsoring Department, to muzzle us. It is worth bringing this out because other countries find it very difficult to understand that a body which draws its funds from the Government does not in fact sing the Government tune.

21. Of course the recognition of independence on policy matters of grant-aided bodies cuts both ways. There are occasions on which the Government is just as glad to be able to disown the Consumer Council's policies as vice-versa. Also, and more important, the *raison d'être* of a body such as the Consumer Council is that it performs a function which does not fit easily into governmental administrative machinery and methods. The functions which grant-aided bodies perform are usually of an educational, propaganda and publicity kind, often dealing with matters (such as design) on which a variety of different views can be held. These functions are not readily and effectively carried out by Government Departments which cannot always afford to be single-minded about the pursuit of particular causes, and must weigh the effect of pursuing a controversial policy in one field on attainment of objectives in other fields.

22. However, the philosophy lying behind the establishment of grant-aided bodies is lost sight of when it comes to the day-to-day relations of their sponsoring Departments with them. The Civil Service may, without intending to control or criticise the particular policies of a grant-aided body, come dangerously near to doing so through the conditions governing the grant-in-aid. It is a paradox that while on the major issues Government Departments preserve a very fair sense of proportion in dealing with grant-aided bodies, on administrative details they seem to lose most of this. Thus a grant-aided body carrying out its proper functions may in practice be hampered by the unimaginative application of Civil Service rules to bodies which have been established to carry out functions to which the Civil Service framework is not adapted. The probability that the bodies concerned would be more efficient and thus better justify their existence if they were left a greater freedom of action in administrative matters is never put to the test.

23. The Consumer Council has discretion to fix the pay of individual members of the staff up to a ceiling (at present) of £2,496. Within this figure the Council has discretion to decide how many people it will have in a particular grade and what it will pay them; it does not, however, have discretion to introduce new grades without application to the Board of Trade. Above this figure individual application for the establishment of posts must be obtained from the Board of Trade (who in their turn must go to the Treasury), although the Council thereafter has discretion to decide on the pay which it will give a particular officer within the predetermined scale.

24. The argument for these restrictions is that it would not be right for people paid out of public funds by the Consumer Council to receive materially higher rates of pay than those prevailing in the Civil Service. Experience has shown, however, that for some kinds of post, particularly those for lawyers, economists or journalists, or where managerial talents are wanted, the recruitment of people of the right calibre is hampered by the salaries which can be offered. It is true that the Civil Service faces the same problem to some extent (in the case of lawyers for example) but the circumstances are very different. In the first place, the Council is a small organisation (fifty-nine staff in total) and must depend on only one or two people in each particular kind of expertise; there is not the

safeguard as there is in the Civil Service of an extensive hierarchy and chain of command. Secondly, the need for good people is heightened by the fact that by the very nature of their work they are in exposed positions as regards public criticism. Thirdly, the Council seeks to recruit managerial talent; the established Civil Service does not.

25. Moreover, the rigid restrictions laid down about pay and recruitment ignore two important matters in which the staff of the Consumer Council, as of other grant-aided bodies, are not in fact like Civil Servants. The first is that they do not receive non-contributory pensions and must contribute 5 per cent of their salaries to the Council's pension fund, although at the end of the day they only receive the same level of pension as they would have received had they been established Civil Servants. The second is that they have no security of employment and are subject at the most to three months notice.

26. These restrictions are not simply matters of form. The Board of Trade and Treasury do query the type and strength of staffing for particular operations. Thus while on the one hand faithfully observing the principle of non-intervention as regards policy decisions by the Consumer Council, they will on the other hand hamper—or even perhaps prevent—the execution of those policies by control over the staff employed on them.

27. Under the grant-in-aid conditions the financial procedures of the Consumer Council must be the same as those which apply to direct Government disbursements and receipts. These may mystify the uninitiated and not be conducive to the best layout of resources, but these are criticisms which can be applied generally to them. They do not in the main impose a handicap on the Council's exercise of its functions which is peculiar to it. There is however one curious consequence of them which illustrates graphically the absurdities to which the sledge hammer application of rules with no recognition of differing circumstances, can lead. It is therefore perhaps worth describing in some detail.

28. Because Government is a large enough business to absorb its own risks, the Exchequer does not take out insurance policies (except the statutory ones of third party car insurance). Therefore, so the rule goes, the Consumer Council must not do so either. Risks which can be covered by commercial premiums of a few pounds a year, such as the theft of typewriters, must either be paid out of the grant-in-aid at the expense of the Council's proper activities or a supplementary estimate must be sought (the bureaucratic procedures which this would involve seem hardly justified by the occasion for them).¹ A more serious aspect of the application of this rule, is that the Council is not allowed to insure against being sued for libel. It is recognised that in carrying out our functions properly we may publish material which is defamatory. In the ordinary way, we, like most other bodies in a similar position, would insure. As it is, we have been given an indemnity by the Board of Trade. This document is in itself a

¹ It is perhaps of interest to quote the rubric, as laid down by the Board of Trade, in full:
 "So far as goods and chattels are concerned, in the event of loss or damage the Board [of Trade] would consider, except in the case of loss or damage not exceeding £50 [where settlement is at the discretion of the Council], in the light of the circumstances and the Council's needs and functions at the time whether the loss or damage should be made good from the grant-in-aid of the Council adjusted as appropriate."

reasonable one. It does, however, have the consequence that if we are threatened with a claim we must bring in the Board of Trade. This is not simply because the Board of Trade Solicitor's Department act as our solicitors in pursuing the matter with the claimant. The administrative side of the Board of Trade is also involved. Its concern is primarily to guard against a supplementary grant-in-aid to meet any damages. The Board have given the impression that they are more anxious to get out of the difficulty at the cheapest possible price than to risk a case, even though this might, on grounds of general public policy, be the right thing to do. The fact that this position arises simply because of an actuarial calculation relating to Government risks, is lost sight of. Further the potential embarrassment of Board of Trade Ministers becoming involved vicariously in a defamation suit against us are, it might be thought, much more serious than a divergence from the public service financial procedures. Yet the case for such a divergence is not regarded as open to argument.

29. Much time is taken up in dealing with the Civil Service, often at Under Secretary level, on these matters of administration. Many of them, perhaps most of them, can be called pinpricks which do not in practice seriously hamper the exercise of the grant-aided body's main functions. It is, of course, arguable whether officials of Under-Secretary rank should be spending time and in effect therefore public money, in writing to each other about such matters as whether a particular member of staff should be called a Legal Assistant, but far more important is the deplorable impression which knowledge of these activities has upon the people in public life who are concerned in the running of grant-aided bodies.

30. It is a happy tradition of the technique of grant-aided bodies that people drawn from a wide variety of background and occupation should be ready, and indeed gratified, to serve on them (more often than not in a purely voluntary capacity). A relatively short experience only too often, however, gives them a very poor impression of the commonsense and efficiency of the Civil Service. In some cases it is not too strong to say that contempt and derision are predominant. They readily acknowledge the calibre of many senior Civil Servants but they, sadly, take it for granted that the people with whom the grant-aided body will deal on a day-to-day basis will probably be ill-informed, obstinate, rigid in their outlook and terrified of the Treasury (the extent to which the Treasury controls the minutiae of staffing and finance for grant-aided bodies is a source of astonishment to newcomers to these bodies).

31. It is not a case of arguing that there should be limitless funds to carry out whatever policies grant-aided bodies may favour. It is recognised that the level of grants-in-aid must be carefully discussed and that the Government (with Parliamentary consent) has the final voice in determining what that level should be. But that having been decided, it should be up to the grant-aided body to determine the best way of spending the money in order to carry out the remit with which it has been set up.

32. It may be argued that the Civil Service is no worse than any other large organisation. This may be true to some extent, but Civil Servants do too often seem to suffer from some faults which are less common in other organisations.

These include an overwhelming sense of their own status and importance. This does sometimes lead to rather brusque rejection of other people's interests or points of view.

33. The Consumer Council is staffed (with the exception of the present Director) wholly by people recruited from the outside world. It has been noticeable that it has been possible to recruit people who are grade for grade (particularly in grades equivalent to executive status in the Civil Service) more capable of taking responsibility, more adaptable, and more businesslike, than their opposite numbers in the public service. This is due, it may be suggested, partly to the fact that security of tenure in the Civil Service does give its employees a sense of complacency which removes the spur from effort, and partly to the fact that training in the Civil Service in office methods and procedure seems to be conspicuous by its absence. Added to this may be the fact that in recent years the image of the Civil Service has not been such as to attract good recruits.

34. Too much of the training in the Civil Service still consists very largely of sitting by Nellie. As in industry where this system also largely prevails, not only may Nellie not have the time to give to the task of instruction, but also she (or he) is very unlikely to have the background and qualities which will enable her to do it adequately. Mistakes occur not infrequently in Civil Service operations because superiors have never thought to spell out to their juniors what the Government procedures and policies are. Failure of communication of this kind is one of the most striking faults within the Civil Service (a particular manifestation of it is that many senior Civil Servants are given to mumbling and are very difficult to hear at meetings or even across the desk).

35. One facet of organisation and method in the Civil Service which may be worth mention is the lack of any real responsibility of heads of divisions, branches, or whatever the sector may be, for the conduct and discipline of the staff employed in that division, etc. Matters of punctuality, for example, are usually dealt with centrally by establishment branches. It is, of course, the business of the head of the division to report any lapses in this or other conduct. But he is not regarded as the disciplinary authority. Nor, usually, does he have much say in the posting of staff to or from his division. There would, perhaps, be an improvement in the calibre of the work done in the Civil Service if more personal chains of authority were recognised.

36. What many of these strictures add up to is that the science of management is very largely absent from the Civil Service. Management techniques are after all just as applicable in this field as they are in any organisation where large bodies of employees are involved. Yet very little thought has been given in the Civil Service to these techniques. The senior ranks in the Civil Service do not in fact regard themselves as fulfilling a management function, but primarily as acting as advisors to Ministers.

Conclusions

37. To sum up the comment in this note on the work of the Civil Service as advisors to Ministers. The conclusion is that the insulation of the Civil Service from the outside world with which it deals professionally and the obscurity of

its procedures and deliberations do not give confidence that the advice which it gives to Ministers reflects a realistic and informed balance of issues and facts. It has been suggested that remedies should be sought in more cross-fertilisation between the Civil Service and industry and commerce, or even in changing the whole structure of the Civil Service to a service contract organisation with a contributory pension scheme, in more exposure to public debate of departmental issues and differences of view, and in more responsibility for departments in deciding their own policies.

38. To sum up as regards the managerial functions of the Civil Service as seen by the Consumer Council in its capacity as a grant-aided body. The picture is a complimentary one so far as the general attitude of Government Departments towards freedom of action by grant-aided bodies is concerned, but not a complimentary one as regards day-to-day dealings on matters of administration. There the picture is one of a rather narrow-minded complacent organisation which pays little regard to the real cost in time and effort of imposing rigid conformity in staffing and conditions of service and in financial procedures and does not seem to recognise that the result of this may be to make a nonsense of the whole concept of hiving off certain quasi-government interests to outside bodies. These attitudes are, it has been suggested, due to lack of experience and training in office organisation and methods and also, even more, lack of a managerial outlook.

MEMORANDUM No. 72

submitted by

THE COUNCIL OF ENGINEERING INSTITUTIONS

October, 1966

1. The Council of Engineering Institutions is the central body for Engineering as a Profession and offers its evidence from that point of view. Chartered Engineers within the Civil Service are part of the profession and, indeed, the Civil Service is the largest employer of professional engineers; the Council is therefore greatly concerned that the Civil Service should attract its proper share of Chartered Engineers of the right quality and these should properly be employed at all levels of responsibility. Professional Engineers in the Civil Service are by no means all included in the "Engineer" classes, many being classed as Scientific Officers, some officers employed on technician work are, incorrectly, graded as engineers.

2. The increasingly technological nature of society will in the future require the use of Engineering and of Chartered Engineers in many fields of Civil Service activity which have not, up till now, required them. Nevertheless, the immediate problem lies in those Departments with a high technological or industrial content (e.g. Defence, Works, Transport, etc.) rather than in the "traditional" Departments (e.g. Treasury, Foreign Office, etc.). If a proper pattern of the use of Engineering and professional Engineers can be established in these technological Departments, the others can be expected to follow without undue difficulty.

3. Whilst success must be deserved and promotion earned, there must also be full and equal opportunity for promotion and reward, and the structure must be simplified and improved to this end. Adequate career prospects should be reflected in the variety of background of those that reach the highest levels. We are not impressed by the allegation that all Civil Service technologists are underpaid; on the information available to us this is certainly not true of the lower ranks although it probably is of the highest ones. The real problem is the lack of opportunity for professional engineers to reach the highest level of policy making. Indeed, there is some evidence that those who have been recruited with the necessary outstanding talent for the highest ranks leave for outside appointments because of lack of career prospects, partly due to artificial barriers to promotion.

4. The need is to get the three or four per cent of the population with the finest minds into the positions of ultimate authority whether these are to be found amongst that part of the university output which has been scientifically or technologically trained or from those who have followed other disciplines. We have the highest regard for the quality of the existing first division Civil

Servant and do not suggest that any particular discipline is an essential for the highest administrative posts. An engineering training, however, provides as good a basis for these appointments as any other.

5. It is open to the graduate in engineering to compete with others for direct admission into the Administrative Class, and there are some opportunities for transfer at the Principal Scientific Officer/Engineer I level. We believe, however, that the best young Engineer has a burning desire to practice Engineering and that it is only as he matures and becomes more experienced that he develops as a manager and administrator. In industry, a structure without artificial barriers enables the man who starts his career in a purely technological field, such as research and development, to obtain management experience and, in suitable cases, to be promoted to the Board or become Managing Director. In the Civil Service the current limited transfer arrangements and the rigid structure of administrative, scientific and engineering classes, do not give the same opportunity for the best professional engineers to reach the highest policy-making posts.

6. Much of the technological work in Departments of State is in the nature of that of engineering consultants. To become an adequate consultant requires experience of the actual execution of the work and this is frequently not available to the young professional Engineer in the Civil Service. This problem would be solved if easy transfer into and out of the Service were possible at various levels so that all types of experience could lead to well-rounded development. Rather than have the young graduate, whether in engineering, science or arts, commit himself for life to the Civil Service, we should prefer to see an adjustment of pension arrangements to permit his easy transfer in and out of the Service without loss of pension earnings. An increase in mobility would also ease the problem where particular technological activities had lost their real *raison d'être*.

7. Whilst administration is no place for the "burnt-out Scientist" or the engineer manque, there are men who discover that research or whatever their original technological first love may be, is not, after all, the best outlet for their ability. Such men, with managerial potential, should be identified and deliberately trained. By giving them this training, and increased responsibility, particularly financially, it would, we suggest, be possible to post them to administrative positions at a much later stage than is now the case, for what they lacked in detailed knowledge of the administrative machine, they would make up in technological and managerial experience. It should be possible, for example, for the Director of a major Research and Development Establishment to become a Deputy Secretary and, possibly, Permanent Secretary.

8. Whilst the Permanent Secretary of a technological department need not necessarily be a technologist, the post should be open, in practice, to the best man for the job whether a technologist or not. But to widen the field of selection, much more deliberate managerial training and career planning in this direction will be required and the same attention should be paid to it as to the planning of the scientific career of Scientific Officers. The professional training of the engineer requires the exercise of economic judgement on conflicting requirements.

For the full development of his career he must be given financial responsibility and executive experience as is the general practice in Industry but is so far the practice in not more than two Government Departments. There is also the difficulty of recognising at the Treasury the merits and needs of the technological staff in other Ministries. At the higher levels, increased direct contact between technologists in Departments and administrators in the Treasury should enable the best men to be more readily identified.

9. This last problem would also be easier to solve if technological Departments were more generally managed by Boards corresponding to industrial Boards of Directors as, for other reasons, we believe to be necessary. These Boards would have a managing director (Permanent Secretary), a financial director (Deputy Secretary—Finance), a personnel director, a manufacturing director, a marketing director, a technical director, etc., as appropriate. These would not necessarily be purely functional directors; the manufacturing director might well have administrative under-secretaries reporting directly to him and not to a parallel deputy secretary. The managing director (Permanent Secretary) should in our view be *primus inter pares*, and the best man for the job regardless of his original training. Today he would be an administrator because, in general, the present system inhibits the use of scientists and technologists in these posts; but if the sort of changes are made which we recommend, in some years time the managing director might well be a professional engineer—or for that matter a cost and works accountant. This broad structure might well be applicable to sub-divisions of some departments. It is worth emphasising that free discussion and the collective responsibility of industrial Boards of Directors generally lead to better decisions than can be obtained by taking advice severally from experts. We believe that this would be also true in the Civil Service, whether or not advice is sought by hiring consultants or through the appointment of "Chief Scientists".

10. That a proportion of policy-making posts are held by engineers is an essential facet of Government in any highly industrialised and competitive country. Otherwise, the balance of decision will trend towards political expediency rather than technological progress, there will be present in Industry a feeling that it lacks contact with the Government of the day and in international co-operative projects there will be a suspicion that our partners administration has undue influence because it is more technically minded. To get the right men for these posts the proper proportion of men of the best potential must be recruited and brought on. As we have pointed out, the structure and the policy of promotion requires correction. Until this is achieved there will remain the present bias in recruitment and a tendency to bias in the educational system itself.

We have endeavoured in this evidence to draw your attention to those matters, the detailed study of which, we consider to be necessary if there is to be an effective change. We advise that such detailed studies be now put in hand and we will be glad to co-operate in any way we can.

MEMORANDUM NO. 73

submitted by

THE COUNTY COUNCILS ASSOCIATION

January, 1967

Terms of Reference

1. "To examine the structure, recruitment and management, including training, of the Home Civil Service: and to make recommendations."

2. These terms of reference are so wide that a general memorandum to cover the whole field would contain a great deal on which county councils have no special qualification to contribute. The Association propose, therefore, to concentrate on those aspects of the subject where the experience of county councils and their officers is most likely to be useful.

The quality of the service rendered to county councils

3. Whilst the Association feel able to answer this question usefully in general terms, they ought in fairness to point out that a fully authenticated assessment of the quality of service which the Civil Service, as a whole or any particular department, gives to county councils would require a great deal of research. The pattern of contact between councils and the Civil Service is such that many county council officers at all levels are engaged in it.

4. In answering this question and the next one, "strengths and weaknesses of Civil Servants", the Association would wish to emphasise the sympathetic, friendly and helpful relationships which exist generally between the Civil Service and the officers of the Association and county councils. If criticisms are made in this memorandum, they are criticisms of a system and not of the people who run it. The Association would also very readily admit that many shortcomings on the side of central government officers have their parallel in the local government field as well.

5. Much has been done in recent years to alter rightly the traditional old-fashioned picture of the Civil Servant, that of a cautious and unimaginative officer, punctilious over detail and working according to the book, with an instinct (well developed by training and Treasury control) to give a negative answer to anything new. Yet it is clear that this picture has not yet been wholly replaced in the minds of county councils generally.

6. There seems to the Association to be a number of explanations why the general image has not improved as much as the facts merit:

- (a) In the first place, during a period of recurrent financial crisis, the Civil Service becomes the instrument for postponing or cutting many

cherished local authority projects. Local authority expenditure has been one of the first targets of successive governments in times of crisis. The cuts are usually hastily put together and operated with rigidity. Much of this is a necessity, but this does not prevent the Civil Service incurring odium, particularly when a national ruling is maintained rigidly in local circumstances where it appears to make nonsense. Ministries at these times appear to be but the mouthpiece of the Treasury, a department to which local authorities do not have direct access, although happily some useful contact has been established with the local authority Associations in recent years. If this contact with the Associations could be developed and also, on matters of major importance, be established direct with local authorities, considerable advantage would accrue.

- (b) There are some differences in the performance of the various departments who have dealings of a regular character with local authorities. Ministries with a long history of association with particular services are co-operative over a wide range of topics. When relationships deteriorate, it is often where the functions of a Ministry impinge on matters which are locally regarded as being more of local than of national importance. For example, the supervisory functions of the Ministry of Transport in regard to speed limits tend to produce national uniformity, but a substantial price is paid for this uniformity, not only in staff time on both sides, but in producing a feeling of irritation on the part of highway authorities.
- (c) If Ministries differ in terms of sympathy and understanding of matters put before them, it is also clear that, as a general rule, there is a difference in all Ministries between the approach of the administrative class on the one hand and the executive on the other. Most experienced officers of county councils are aware of the need to get any new or unusual subject matter before a Principal, Assistant Secretary or Under Secretary because usually Executive Class officers will not respond in the right way to a new situation. There are some grounds for thinking that the very division into two classes must tend to inhibit in the Executive Class the growth of some desirable qualities.
- (d) As long as Government continues to control local authorities fairly tightly in most spheres, there will inevitably be friction from time to time between the Civil Service and their local authority counterparts. The areas of detailed control should be kept as small as possible, not just in the interests of local authorities, but in order to free Civil Servants from dull and minute supervision of the activities of local authorities. This sort of work reduces the career attractiveness of the Civil Service, and must make it more difficult to persuade people that helping in the work of Government is exciting. The Association consider that the present, when both the Civil Service and the structure of local government are being examined, would be an opportune time to commence a new study of the relationships between the two. A reorganised local government should be capable of working on a much looser rein, thus helping the already pressing demands upon the Civil Service.

Strengths and weaknesses of Civil Servants

7. Although the cautious attitude of the Civil Servant to the initiative of other people is in part forced upon him by the role he is required to perform, it is in part traditional. During the formative years of the professional Civil Service in the later 19th century, the role of Government in Britain was largely to regulate the activities of individuals and organisations operating in a free economy. This engendered what has now become a traditionally detached attitude of intelligent though often negative criticism, arising perhaps from the fact that Civil Servants' functions were then generally to check, supervise and regulate, rather than to launch new enterprises themselves.

8. Since 1945 there has been an enormous growth in the public sector of the nation's economy. The Civil Servant has become responsible for the management and co-ordination of large semi-industrial enterprises and for the preparation and implementing of major economic plans. This needs qualities akin to those of the successful business man, and a more creative and risk-taking tradition is essential.

9. The Administrative Class of the Civil Service has the strength and the weakness of being a group of people of similar education, background and outlook within which a critical approach to each other's thinking is less likely than in a group of more heterogeneous character. A brochure issued by the Civil Service Commissioners emphasises one of the attractions of entry at Administrative Class as offering the opportunity to take a constructive part in the government of the country, and in which personal initiative and enterprise will be "combined with the collective wisdom of a group of congenial colleagues of the same intellectual powers and the same general interests as yourself".

10. The Association are in favour of the retention of the Administrative Class, in relation to whom the professional classes are regarded as being the technical officers. In an age of ever-increasing professional specialities, it is important that the advice that may be given on technical matters should not be accepted without question. Indeed, it becomes increasingly important that technical advice should be examined in order to uncover the basis for it. This does not mean to say, for example, that the design of buildings or bridges or reservoirs should not be the responsibility of the professional man, but the siting of the building or bridge or reservoir in relation to its surroundings might well be open to question. Examinations of questions such as this can only be undertaken by people of intellect with a wide general knowledge, able to take into account many factors which may be much wider in their implications than the objectives of the professional man.

11. At the same time, recruitment to the Administrative Class should not be limited to those who are selected on entry to the Civil Service, or subsequently on promotion from the executive grade, but should be open throughout their career to professional and technical officers who, in the course of their service, have shown themselves to be possessed of the qualities which are required in the Administrative Class. If this were done, it would make the Civil Service as a career of far greater interest to a much wider range of people, who may be encouraged by the thought that, if they showed themselves suitable, they would have greater opportunities of playing their part in "Government" than is the case at the

present time. In local government the professional man who becomes the Head of his Department is involved almost wholly in administration, but his background of professional and technical knowledge serves him well in directing and controlling the members of his staff who are employed virtually wholly on professional and technical work.

Recruitment

12. In a seller's labour market in which the Civil Service will be competing for much the same kind of people as local authorities and the private sector, the recent improvements in recruiting publicity for the Civil Service will have to be carried even farther. To facilitate freer movement into and out of the Service, the proportion of non-established Civil Service posts might be increased, and action taken to iron out any remaining pension complications which in the past have often deterred free movement of staff.

13. One factor which may affect recruitment is the scant attention paid by the Ministry of Works and the Treasury to the office conditions of Civil Servants. Many of the more important departments still work in conditions of dilapidated Victorian splendour; furnishings are spartan. Reception facilities for visitors compare poorly with their counterparts in commerce, e.g. visitors' toilets are not provided with soap or towels. The working environment is generally recognised today as being important, not least in producing the right attitude of mind to the job. There is plenty of evidence that this general recognition does not yet extend to those who set the standards for the Civil Service. Whilst the fabric of buildings cannot be changed overnight and overcrowding presents problems, much could be done by a less parsimonious attitude and this should pay a dividend not only in recruitment and retention of staff, but in productivity.

14. There would be advantages to both the Civil Service and local authorities if some people had experience of work in both the central and local government spheres. However desirable this may be, it is unlikely to come about unless much greater thought is given to the practical difficulties which exist on both sides. These include (a) housing, (b) different pay structures, (c) the unwillingness of many people to transfer permanently, and (d) the fear that secondment may cause the loss of an opportunity for advancement or promotion. It is also understood that, in some quarters, the Official Secrets Act is held to prevent local government officers participating in the work of central departments. If this is the case, it should be examined to find out how far the difficulties are real and substantial; and the steps which need to be taken to overcome them. On the whole, the best opportunity for an interchange between the Civil Service and county councils would seem to lie in secondment of promising people for 6 or 12 months at an early stage of their career with protection on pay and fairly generous lodging and travel allowances. By the time a married local government officer has started a family, it would be most unlikely that he would, as a general rule, be prepared to accept secondment to London except from the limited group of county councils whose headquarters are within commuting distance. The Association believe that county councils would be willing to accept Civil Servants on secondment, and to reciprocate on the lines suggested. They believe that the benefits to both sides in promoting, among other things, an understanding of each other's problems, justify further exploration.

Training

15. The Association welcome the fact that recent training arrangements for newly recruited Assistant Principals have included visits to local authorities. The time allotted to county councils is only half a day and this is quite inadequate. At the end of two years, these new entrants take a course of study where economics and aspects of public administration are developed in a practical manner. For those who have read economics at University, it would appear that there is some danger of duplication. These people might be allowed to study local government in greater depth. All the students would benefit by a short period of attachment at this time to a local authority. After two years' service, such an attachment (even for a month) would allow the Civil Servant concerned to understand a little of the workings and problems of a local authority in a better way than he can when first recruited. Several departments have accepted invitations from county councils to arrange experimental attachments of this kind, with most encouraging results, but much more can and should be done.

16. The present tendency in the Civil Service appears to be for new recruits to stay in the department to which they are first assigned and for them to expect to advance and make a career in that department. An increasing number of large local authorities are operating training schemes to which school leavers are admitted, and who are allocated to the departments of their choice after a period of general training in which they obtain practical experience in a number of departments. An impressive percentage of trainees finally elect to be posted to departments other than those of their original choice on entry, and in this way misfits are avoided to the mutual advantage of employers and employees. It might be possible to initiate something on these lines in the Civil Service.

Mobility

17. The point has already been made in paragraph 8 that the modern Civil Servant often has to play a role similar to that of the manager of a business enterprise. As the functions of Civil Servants and their training and qualifications become more like those of administrators and managers in commerce and industry, there should desirably be an increasing interchange between the public and private sector. Whilst there is some evidence of movement outwards from the Civil Service, there still seems to be a gap between the relative rewards in the public and private sector which inhibits movement inwards. If this gap could be narrowed, there would seem to be no reason why interchange should not become more frequent, particularly as "security" is less highly rated today and more people would be prepared to take short-term engagements if the inducements were right.

18. The need for, and difficulties of, securing mobility as between the Civil Service and local government has already been mentioned in paragraph 14, and the suggestion made that further thought should be given specifically to this matter.

MEMORANDUM No. 74

submitted by

THE EDUCATIONAL INSTITUTE OF SCOTLAND

October, 1967

Senior Administrative Posts in the Scottish Education Department

The Educational Institute of Scotland wishes to draw the attention of the Committee on the Home Civil Service to certain significant changes which have been taking place in the Scottish Education Department within the last few years.

2. In the forties and early fifties it was common for senior administrative posts in the Scottish Education Department to be held by officers who had come into the Department through one or other of the technical branches. Thus in 1946 the Secretary of the Department had come in through the Inspectorate, the Principal Assistant Secretary had come in as a Medical Officer, and of the five Assistant Secretaries, no fewer than three had entered through the Inspectorate. Today, by contrast, none of the senior posts in the Department is held by an officer who has entered through a technical branch.

3. The reasons for this change are perhaps more likely to be complex than simple. It is, however, widely associated in the teaching profession with the submission to the Treasury of a memorandum from the Association of First Division Civil Servants, urging that certain senior posts should no longer be open to Civil Servants who had entered as technical officers. It is understood that this memorandum was submitted in the late 1950's.

4. Whatever the reasons for the change may be, it is one that causes the Institute serious disquiet. This is not the place to discuss the general question of specialist as compared with non-specialist, technical qualification as compared with non-technical qualification. In the Scottish Education Department, however, the typical technical officer is of course an Inspector of Schools and the Institute believes that it is particularly appropriate that such an officer should be entitled to hold any of the senior administrative posts in the Department, including that of Secretary. The Inspectorate is recruited from the teaching profession; the Institute considers that possession of direct experience of school-teaching should be regarded as an essential qualification for appointment to a significant proportion of the senior posts.

5. It is hardly necessary to say that this representation is not intended to cast any reflection on holders of senior administrative posts who have not been officers of technical branches.

MEMORANDUM No. 75

submitted by

THE SCOTTISH EDUCATION DEPARTMENT

November, 1967

It is the case that until the 1950's the senior Administrative Class posts in the Scottish Education Department were mainly filled either from H.M. Inspectorate or through promotion of executive staff who had spent their official lives in the Department and that since 1951 no H.M. Inspector has been recruited to the Assistant Secretary grade or above. The senior posts have been filled through the promotion of Principals who were either Administrative Class entrants—Assistant Principals were first taken into the Department in the late 1940's—or had been promoted from another class, or through transfer of administrative staff from other Departments mainly within the Scottish Office.

2. This change has not entailed any loss of expert educational advice to the Department. Indeed H.M. Inspectors as such play a much larger part now than they did in the forties and early fifties in the discussion and forming of educational policy and their advice is not less authoritative or effective because it is no longer given to those who were formerly their colleagues. There are now two Chief Inspectors located in the Department for this purpose as well as the Senior Chief Inspector and in the Department's view it is preferable that the professional advice and contribution to policy should derive from those with up-to-date first-hand experience.

3. There was a danger, under the system which obtained until the forties and fifties, that the S.E.D. would become increasingly ingrown and parochial, separate in its attitudes and in its officers from the rest of the Government service. The changed pattern of recruitment has obviated this danger. Promotion to the Administrative Class remains open to the Executive Class and to the technical classes and members of the Inspectorate can be so promoted. (One or two have already been given experience as Principals on secondment and it is intended to continue and extend this practice.) But it would be wrong in the Department's view to limit the field of selection for senior posts by stipulating that a "significant proportion" of senior posts should be reserved for members of the Inspectorate or for any other particular group, regardless of merit.

MEMORANDUM No. 76

submitted by

THE ELECTRICITY COUNCIL

January, 1967

I am writing after consultation with the Secretaries of Electricity Boards in England and Wales in reply to your letter of invitation to submit written evidence to your Committee.

2. I should first explain that the general functions of the Electricity Council are to advise the Minister of Power on all matters affecting the electricity supply industry in England and Wales and to promote and assist the maintenance and development by the Central Electricity Generating Board and the Area Boards of an efficient, co-ordinated and economical system of electricity supply. The Council also have certain specific responsibilities particularly in matters of finance, research and industrial relations.

3. Secondly, the staff of the Council and the Boards have contacts at various levels and with all classes of the Civil Service—clerical, executive, scientific, technical and engineering, and administrative. The opportunity presented by the suggestion in your letter that our evidence might “range freely over all aspects of the Civil Service (within the Committee’s terms of reference)” has, however, been resisted. We feel that we have insufficient knowledge of the detailed working of the Civil Service to make general comments; I therefore write in the light of this industry’s experience alone.

General

4. There is a wide area of potential difficulty in the relationship between a nationalised industry and the Civil Service. On the one hand there is the natural tendency on the part of the Civil Servant to want to be intimately associated with all the activities covered by his Minister’s responsibilities; on the other there is the parallel tendency of the nationalised industry to want to preserve as much independence as possible. Achievement of the right balance calls for a proper understanding by the Civil Servant of the statutory functions and responsibilities of the Minister and, in turn, of the industry. Although the situation has varied from time to time the electricity supply industry has in general had this understanding from the senior Civil Servants with whom it deals.

5. We acknowledge the unique contribution of the Administrative Class to the formulation of policy. The value of the administrator’s powers of critical analysis and clear exposition of complex problems is fully recognised, even

though we may not always agree with his conclusions. As the economic problems of the nation become even more complicated, and science and technology advance, clear and independent thought and expression become even more valuable. Whatever changes are called for, these are attributes which must continue to be fostered.

6. We also greatly value the tradition of an unbiased, non-political body of servants of the public. We hope that the helpful and understanding attitude adopted by all classes of the Service at national and local level—often on matters which are of no, or very little, interest to Members of Parliament or the public—will be given due recognition and encouragement.

Management Skills

7. As a nationalised industry with close contacts with the Civil Service at all levels, we realise the importance of the views expressed by the Confederation of British Industry in their evidence¹ (with the preparation of which the Council were associated) about the need for Civil Servants who advise Ministers of "trading" Departments or Departments with responsibilities for industry to have adequate knowledge of the problems of industry and to be familiar with the techniques and skills of modern management. This is not to imply that Civil Servants should become "managers" in the sense in which industry uses that term; what is implied is that deliberate procedures should be evolved to ensure that administrators in Departments with direct dealings with industry are fully familiar with particular management skills related to the fields in which they work. The above applies also to members of the executive and professional classes who have the aptitude for and are being groomed for more senior policy-making posts.

Planned Experience on the Job

8. The electricity supply industry could make a positive contribution, in the interests of increasing planned experience, by taking part in any scheme for interchange. The Civil Service already possesses comprehensive training schemes (and a Centre of Administrative Studies) which could no doubt be expanded as necessary. But theoretical training is only one facet of development and we suggest that there is room for more training-on-the-job, particularly at the "grass-roots" level of industry. Interchange might take place first at the Assistant Principal or equivalent level when a year outside the Service, after an initial period of say two years in a Department, could be useful; secondly, before the age of 40 (45 at the very latest) selected Civil Servants could be seconded on an interchange basis to do a specific job for, say, three to five years. We strongly support the thesis in the C.B.I. memorandum that the broad objective should be mobility in the early stages and stability in the later stages of a career. We agree that the age of 23 is too young to foresee how far effectiveness in thought and action will be developed.

9. It is important that secondment should be to do a particular job (not just "to look over someone's shoulder"). The scope of such a scheme would

¹ Memorandum No. 67.

Professional Classes, it appears that acceptance of the rigid division between these functions, traditional in the Civil Service, has been implicit in the evidence so far submitted. For example, while it has no doubt been argued that transfers from the Professional Classes to the Administrative Class are desirable, it has been accepted that officers so transferred would lose all professional functions.

The traditional Civil Service system was developed in Departments devoted to the general business of government. It has been extended, apparently without any serious assessment of its suitability, to new Departments such as the Ministries of Supply and Works, whose function is mainly executive. Close parallels to practically all the work undertaken by the Ministry of Works are found with consulting engineers, architects, contractors and the maintenance branches of large organisations. With such concerns outside the Service it is the almost invariable practice in the senior posts that administrative and technical responsibility are carried by the same person, who is usually professionally qualified.

The Guild believes that very strong evidence would be needed to justify a radically different system of administration inside the Service for Departments the work of which is more akin to the work of such concerns than it is to that of Departments primarily concerned with public and parliamentary business of the traditional kind".

6. That such views were widely held was indicated by the evidence of the British Employers' Confederation to the same Commission:

"If any apprehension is felt in regard to recruitment for the higher posts in the Civil Service, the Confederation would suggest that, in the conditions of the modern world, there could with advantage be a greater interchange between the Scientific and Professional Classes of the Civil Service and the Administrative Class, and that in future it may be expected that a greater proportion of the highest posts in the Civil Service will, as in industry, be filled by persons with scientific and professional attainments rather than with those traditionally associated with such posts".

7. The Guild noted with regret that the Royal Commission did not apparently find it appropriate to explore this problem. Today, however, it is considered that the problem has assumed even greater importance and the Guild earnestly hopes that your Committee will give the matter full consideration.

8. The intervening ten years since the Guild submitted its evidence to the Royal Commission have naturally seen many changes in the detailed organisation of the Departments mainly concerned, but we regret that few of these changes can be interpreted as moves in the direction the Guild would have desired. On the contrary, there has been in many fields a definite increase in the rigidity of control by the Administrative Class of professional functions.

9. The Guild has read the evidence submitted to your Committee by H.M. Treasury¹ and notes that this is concerned mainly with the Administrative and Executive Classes, with only a casual reference to the Professional and Scientific Classes. This cannot but confirm the view that the Treasury in particular, and

¹ Memorandum No. 1.

the Senior Administrators responsible for departments generally, still fail to appreciate the importance of the part played by these classes in the Civil Service of today. It is evident moreover that in reference to interchange between the Professional and Administrative Classes the Treasury envisages that (for example) an engineer taking an administrative post will do no engineering and when he returns to engineering will cease to have any "administrative" function. The underlying belief (and it should be made clear that we are referring to departments or major parts of departments whose functions are mainly technical and executive) that tasks can be broken down into largely separate "administrative" and "technical" functions conveniently carried out by separate individuals is, we consider, totally fallacious.

10. The approach of H.M. Treasury to this problem leads it to postulate that "flexibility is significant only at the senior levels since, in their earlier years in the service, professional and scientific officers are recruited to undertake specific tasks within their own disciplines, and indeed they wish to be so employed". It seems clear that an absence of managerial responsibility in these formative years is unlikely to lead to a high level of managerial ability later. On the other hand if, as the Guild proposes, and in accordance with practice in Industry, a considerable proportion of professional staff, while continuing to work in their speciality, undertake also appropriate managerial and administrative functions, those with particular ability in this field will later be able to qualify for the highest administrative posts.

11. In the former evidence referred to above the Guild took the Ministry of Works as an outstanding example of a department, the vast majority of whose activities were of an executive nature (carried out on behalf of "clients" who are typically other Government departments) and closely comparable with the work of other professional organisations. In recent years the absorption of the Works Directorates of the Armed Forces has produced a very much larger organisation. Unfortunately this appears to operate less effectively than any of the four separate Works Directorates from which it was formed.

12. A feature of the organisation is an extension of the principle of "double harness" by which administrators and professional officers operate in parallel at all levels. It is difficult to imagine any system less conducive to managerial efficiency. Those members of the Engineers' Guild who have occasion to deal with the Ministry in a professional capacity, as well as those working in it, are convinced that this has led to duplication of staff effort, inefficiency and waste and has produced a widespread feeling of frustration among the staff concerned. This is at a stage in our history in which there is a greater need than ever before to increase national productivity.

13. The preceding remarks refer primarily to the managerial and executive functions of the Civil Service with which members of the Guild in private employment commonly come into contact and with which the majority of members of the Guild in the Service are concerned. The Guild also feels some concern at the extent to which Ministers, even in departments with a strong professional element, are by tradition surrounded by members of the Administrative Class and to a considerable extent insulated from real contact with professional staff. In such a department policy must ultimately be based on the

advice of the latter, and its validity must be dependent on their competence and appreciation of the whole of a probably complex situation. The best results will rarely be obtained when administrators work up a brief for the Minister based on the replies to *ad hoc* questions they have put to professional advisers.

14. The Guild believes that a more efficient structure of the Civil Service would be produced if it were the practice to grade posts rather than individuals. (We understand that this is the practice in the United States' Civil Service.)

15. To the extent that the evidence submitted to you by H.M. Treasury seems to accept this point of view it is welcomed by the Guild but we must point out that it is clearly tailored to the present Administrative/Executive grades with the assumption that professional and specialist staff will in some way be associated with it but that most of the innumerable special salary levels in these fields will continue. We consider that most of the latter levels have grown up haphazardly, without functional justification, and that the time is ripe for their reduction. In many departments it seems that each time the professional staff has been reorganised it has proved convenient to introduce intermediate salary levels yet existing salary levels are never eliminated.

16. A system of grading for the Administrative/Executive Classes into which the professional and scientific staff were not fully integrated would, we believe, be positively harmful by introducing new rigidities which would make such an integration more difficult in the future. It is obvious that, for example, the responsibilities carried by different Assistant Secretary posts vary widely, yet it has never been considered necessary to mark this by small salary distinctions and the same philosophy might well be applied to many professional and scientific posts. As an illustration it may be suggested that the middle range of the present "works group" posts could be assimilated into the proposed groups as follows:

Grade III	Director A
Grade IV	Director B/Superintending
Grade V	Senior
Grade VI	" Main grade "

17. Although we give this example, we consider it would be better to look afresh at the management problem as a whole without the built-in assumption that it must be based on the historical Administrative/Executive grades which the Guild suggests are unlikely to constitute the best management structure in the changed conditions of today.

18. H.M. Treasury state that " a single scale . . . would be inordinately expensive ". Surely this is a matter of complementing. In principle, fewer grades should lead to better utilisation of a smaller total staff so that the total cost might be lower even if some salaries become higher, particularly if, as the Guild would advocate, the proportion of sub-professional staff (technicians) were increased.

19. The Guild hopes that the Committee will feel able to recommend an "across the board" classification of Civil Service posts subject (a) to a very

limited number of exceptions, (b) provision for entry at various levels, (c) transitional arrangements to fit existing staff into a radically new structure.

Recruitment

20. Your Committee will no doubt have received evidence from the Civil Service Commission and other official bodies as to the difficulty of recruiting professional engineers to the Civil Service. Shortage of professional staff is not confined to the Service but we think a very serious factor is not revealed by the figures. This is the fact that of the small number of recruits secured during the last few years, almost all approximate to the lowest acceptable level in qualifications and intellectual capacity. As an illustration it may be pointed out that the number of candidates attracted from the two best-known schools of engineering—Cambridge University and Imperial College—has been virtually zero.

21. It has been suggested that some departments are seeking to alleviate their staffing difficulties by a further reduction in standards for professional posts. If this is correct it is likely to have the longer-term effect of discouraging the more able young engineers from seeking such posts.

22. The lack of attractiveness of a Civil Service career to the more able graduate is only partly due to the unsatisfactory salary at entry. The limited career prospect is probably a bigger factor to this sort of person. It may be mentioned that some years ago the Civil Service Commission produced a comprehensive booklet on careers in the Civil Service. The contrast in the career prospects offered to the Administrative Class and professional engineers must certainly have dissuaded any ambitious graduate from seeking one of the latter posts. Integration of the Administrative/Executive and Professional Grades as advocated by the Guild would go a very long way towards the sort of improvement in career prospects that appear to be necessary.

23. In the past, one of the attractions of a Civil Service career was that the pension arrangement compared very favourably with those of Industry. This is no longer the case. It remains the practice (and we consider it a wise one) to recruit engineers to the Civil Service after several years experience in Industry. However, such recruits will in general have an inferior expectancy of pension than if they had remained with their firms. Such an engineer is also at a disadvantage compared with administrative and executive colleagues who normally enter at an earlier age. Some arrangement for transferability of pension or "added years" in such cases seems highly desirable.¹

Training

24. We were invited to comment on training within the Civil Service. Within the field with which the Guild is concerned this appeared to receive considerable attention. For example, it has been noted that a considerable number of Civil

¹ *The Guild published a report entitled Preserving Pension Rights for Professional Engineers in 1964. As well as arguing the case for the introduction of the principle in the United Kingdom this included an account of the position as regards the profession of engineering in eleven other countries both within and outside the Commonwealth.*

Service engineers have been sent on the courses of the Administrative Staff College at Henley, in which they have participated effectively alongside students from industry. At the same time there has been evidence of frustration over the fact that they know that on returning to their department and during their Civil Service career, they will have little chance of employing the benefits they have gained from the course.

25. Should the Committee recommend (as proposed by the Guild) the amalgamation of the professional and administrative functions in suitable fields, full benefit would be gained from these courses. It would also be necessary to institute effective management courses for professional staff at lower levels.

MEMORANDUM No. 78

submitted by

THE FABIAN SOCIETY

February, 1967

"Irregular" Appointments to the Higher Civil Service Since October, 1964

Introduction

1. This memorandum is mainly concerned with the experience since October, 1964 of introducing into the Civil Service senior, temporary, expert officials who serve on a contract basis or on secondment from another employer, and to relate this experience to possible wider reforms of the Higher Civil Service.

2. Many of these "irregular" appointees of the last 2½ years have been economists and have helped to build up the Government's staff of economics and statistical experts. This growth in economics personnel has taken place against the background of the great experience of employing technical specialists built up by the Scientific Civil Service but contrasts with the almost complete lack of Government experience of employing social scientists in any but the plainest "academic" relationship to the central tasks of administration and policy-making. Social scientists other than economists have now been added to the irregulars' total strength and their element continues to grow.

3. It seems to be fairly generally agreed that the influence of "irregulars" in certain Government Departments since 1964 has been beneficial. Opinions (not confined to irregulars themselves) have indicated to the Fabian Society that the experience has been a success, although several practical problems have been encountered and several wider questions of Administrative Class methods and conditions of work have been raised as a result of the experience of the irregulars and those who have worked with them.

4. The Fabian Society wishes, however, to stress that the verbal discussions and written submissions which it has arranged on the subject of irregular recruitment and its relationship with possible wider Civil Service reforms can be viewed as only impressionistic evidence. The personal opinions and experiences of individuals ("irregulars", permanent officials, senior Treasury figures or Ministers) are no substitute for a full and fair analysis, perhaps based on a case-study approach of those issues on which "irregulars" have been closely involved during the last 2½ years. This would help to identify any special contribution which "irregulars" can make. Such an analysis can be conducted

only by the Government or by the Committee on the Civil Service, or some other authority which can command a sight of internal documents. (In addition to the formal recruitment of experts. The last 2½ years have seen a series of "outer rings" or "seminars" where experts discuss the policy problems of several Departments. This mainly political device needs to be noted when assessing the total expert advice available to the Government.)

General Comments

5. The basic case for an irregular element in the senior ranks of the Government service has been made many times, notably in *The Administrators*, published by the Fabian Society in June, 1964. During the closing months of 1966 the Society attempted to find out opinions and experiences of the period since October, 1964.

6. It appears to be a very widely held view among irregulars themselves that a case could be made for extending their kind of recruitment virtually throughout the Civil Service's total field of work. It is a particular concern of those irregulars who are economists that their fellow-experts in spheres other than economics should be encouraged to enter the Civil Service on a similar basis: they wish to avoid the impression being given to the scientific, technical and professional community, that only their own subject is suitable for this form of public service.

7. The fairly dramatic increase in the economic expertise available to the Government during the 1964-66 period generated some momentum of its own. Economic sections have been established in certain Departments apparently in imitation of (and perhaps in self-defence against) Departments which acquired this kind of experience in 1964.

8. Against this moderate self-generating spreading of economic expertise from Department to Department, it has been claimed that the narrowness of irregular recruitment since 1964 has been a weakness. The possibility of recruiting experts on a contract or secondment basis has been conceived on a too exclusively economic footing, although it is true that the various branches of economics was in 1964, and may still be in 1967, the most urgent need of Government service.

9. Some of the Departments into which many economist irregulars were recruited were newly created in 1964 and two of them (D.E.A. and O.D.M.) assumed from their inception a novel, dual nature, combining regulars and irregulars. It would not have been fair to the irregulars to criticise them for the brief given their new Departments by the Government nor for any initial weaknesses in their Departments administration caused by shortages of staff in the regular Civil Service. Criticism of a type of public service recruitment and tenure cannot logically depend on a critical view of any Government Department, whether new or established. If the Government had introduced irregulars more widely in 1964-66 they would not have been so associated with the arguments about the role of certain new Departments.

10. The Government has yet to demonstrate its desire for special recruitment of experts on an irregular basis to become a standing arrangement, even within

the field of economics. The lack of a systematic approach leaves the impression that, so far at least, the Government is content to have manned up its new Departments and sprinkled a few extra irregulars over certain established Departments and now wishes this *ad hoc* expedient to develop no further. It has also been claimed that the irregular element has been allowed to shrink since the newcomers of 1964 have begun to return to their outside employment.

11. To establish the basic facts of irregular recruitment since 1964, in terms of numbers, gradings, job descriptions, professional qualifications and experience and Government service tenures or contracts would be the first step towards the design of a permanent system for infusing specialist skills into the Government service. (Such an analysis would need to be set against wartime and post-war experience by way of comparison; the high level scientific advisers who have been brought in to Government service regularly since 1945 would be an example of useful comparison, as would, in a somewhat different sense, the Treasury's Economic Advisers.)

12. New departments in Government policy may create new types of public servant some of whom by the nature of their role will be irregular in their recruitment. The Industrial Advisers within D.E.A. are one example; these individuals' work as I.A.s will bring a benefit to the industry they go to later in their careers as well as to the Government Department they currently serve. The maximum interchange between Government and business (and ideally the trade unions) is desirable, especially early in men's careers, and the benefits will be felt after these individuals have left Government service. They will help to provide a stratum of senior administrators of firms and unions which has had the experience of a period of economic service within the Government. This experience should come as early in their career as is practical, having regard to the nature of their D.E.A. work, so that business may get the benefit for a maximum period of their total career. This requires great flexibility in recruitment practice and may indicate some further devolution to Departments and statutory bodies of recruiting, grading and even general budgetary controls.

13. One of the great advantages of irregular recruiting is the possibility of getting exactly the right man for a job in terms of technical skills and suitable "outside" experience. This intrinsic strength of the case for having irregulars in influential positions in Departments is weakened in practice either if insufficient effort is made to publicise this form of recruitment (and thus to maximise the potential supply) or if insufficient study is made of the Government's general demand for specialist skills. The recruitment of irregulars is a part of the wider task facing the Government in establishing what needed skills exist in the country and on what terms specialists would consider a period of Government service. The full resources of modern methods of "executive search" should be introduced. If some of these persons become irregular Civil Servants there must be a fully planned scheme available to accept their very precious specialist skills. The unplanned recruitment of 1964-66 must now develop into a planned permanent infusion of talents. This approach to the attraction of talent could be applied with great benefit to the entire public sector including, in certain of its aspects, to the recruitment of permanent Civil Servants. It could be applied, for example, to nationalised industries and statutory bodies of all kinds from Regional Hospital Boards to the I.R.C.

14. Large firms institute "executive search" through their own personnel departments or through consultants, working to a job specification. The approach implies a more "individual" view of certain Government posts (e.g. Head of T and E at the G.P.O. or Director of Hospital Services at the M.O.H.) and should also be judged against a possible future background of an "open" Higher Civil Service and even changes in the boundary line between functions performed by Ministerial departments and statutory boards. The transition of the G.P.O. is relevant here as it has already led to the public advertising of a "tied" or particular post in that department for which certain commercial experience is specifically required.

15. Advertising alone, however, is less strong than "executive search" in which an employer tries to identify future potential recruits through "studying the field" as well as getting a recruit for a present vacancy.¹

Particular comments on eight practical problems

16. (a) It has been suggested that irregular entrants should receive some planned *introductory course* on Civil Service procedures. This need occupy only a few days yet would help a man from industry, university or research institute become useful and effective rather more quickly. If the Government decided to "seek out" relevant skills in a scheme for "executive search" such an induction course would be a natural corollary.

17. (b) Experience suggests that the irregular in an administrative post or in a "research" or "policy planning" job is wise to *begin his period of work on a full-time basis*. Having established himself, with a knowledge of methods, systems, policies and personalities, he can then become part-time if need be. The reverse sequence is not satisfactory. Recruitment of irregulars should therefore, whenever possible, follow this sequence.

18. This "correct" sequence was followed by one irregular who is glad he did it this way round. A fellow irregular in another Department did it the "wrong" way (part-time and then full-time) and did not complain of it: it depends on personality and prior administrative experience and/or the luck of who one works with. The above "correct" sequence seems likely to be the better one to aim at even if it makes little difference to some irregulars.

19. (c) There may be an *upper limit to the grade or rank* at which it is sensible or efficient to introduce an irregular Civil Servant direct from outside. To have recruited more than a very few irregulars at grades above Under Secretary would, it is suggested, have been a dangerous challenge to good working relationships with regular officials. Even the few above this level were placed in new departments. To put an outsider into a Deputy or Permanent Secretary's

¹ Current attempts to recruit, through advertisements by the C.S. Commission, to the Economist and Statistician Classes must be noted as an attempt to provide more economic advice to a wider range of Government Departments. It is too soon to know of their success in attracting established and senior economists or statisticians. This memorandum is primarily concerned with the irregular recruitment of the senior man from outside who would not contemplate applying to join the relevant formal Class but who might consider a less formal "irregular" arrangement to enter the public service.

post in an established department would be a doubtful move as he would not be in the "club" of top men and would not have the Whitehall knowledge to support his great responsibilities. Against this it may be recalled that the chief official of D.S.I.R. was often brought in from outside, with his deputy an established figure who "knew his way round". D.S.I.R. may not, however, have been a critical example: this point could best be illuminated by the official study of the contribution of irregulars proposed above.

20. (d) The technical experts, mostly economists, who have contributed to this memorandum all agree that their *advice has to be "rounded"* by the imposition of other factors. The professional economist and (if he remembers his university work) the trained economist deals naturally and easily in exact or disciplined concepts, in numerical techniques and in a "resources" view of economic and social policies. These are attributes which are badly needed by all large organisations, especially the Government; yet they are not easily available in permanent officials educated in non-economic fields and will not become available, even in the youngest officials, until the C.A.S. goes much further towards a serious programme of training of entrants who have not previously studied economics.

21. The economist's aim is always "scientific government"—the optimum rational distribution of resources combined with the best methods for encouraging new resources to come into existence. Yet to be effective, "economic advice" must be fully "rounded" with a due awareness of current political pressures. Thus there is no doubt that the economic analysis must be tempered with wider (and all too often economically irrational) considerations inside the mind of the economist himself before he expresses himself. The alternative to this policy-advising position is the tradition role: "on tap" to lay administrators who will take technical advice from experts and process it *en route* to their superiors, perhaps the Minister himself. In breaking out of this mould some of the senior economist irregular officials of 1964-66 have found that the vulgarisation and even the occasional flat denial of their scientific training in the cause of "realistic" advice has been the price of personal involvement in policy-making—but they have at least had the satisfaction of doing (and thus controlling) these things for themselves rather than conveying their "pure economic" advice on paper to higher regions.

22. (e) A personal aptitude for administration may be represented as an essential ingredient of successful economists' or other specialists' advice to Ministers. The ability quickly to grasp the shape and characteristics of the departmental and inter-departmental machinery for processing advice and information to a more senior level is a major factor in the irregular's success. Given these talents in addition to his professional skills, the economist can do well in the Civil Service when there is a chance to share in policy-making. Industry has not traditionally used its economists much more imaginatively than has the Government and the "on tap" position under lay senior management is still the rule.

23. Government still needs more economists of this broadly-based type: they permit the kind of genuinely mixed division of "administrators" and "administrator-economists" that one may see in the new departments. A

senior irregular (Under Secretary level) whose own superiors are also irregulars may control a division containing Administrative Class "permanents", Chief Statisticians and Senior Economic Advisers, as well, perhaps, as some fellow irregular economist probably seconded from universities. Such a team brings together complementary talents; the permanent lay officials are well aware of the care needed when briefing a Minister who will express Government policy; the economic adviser or statistician brings his special skills and the irregular of academic background is supposed to generate new thoughts as well as contribute professional economic analysis—he himself probably could not successfully brief the Minister direct. Above the level of Economic Adviser (Principal) the irregular economist needs administrative skills and experience as well as his economics.

24. (f) *Informal technical briefing of the Minister* on the technical side of departmental policies and problems is, however, a task where the university man should shine. Unlike the generalised political briefing traditionally given a new Minister by the Permanent Secretary, which can be done quickly and in terms the Minister can follow, technical briefing is a more complex and lengthy task. It cannot nowadays be shortened into individual sessions with a "Cherwell figure", assumed to be technically omniscient: it is a team job calling for tutoring skill from a range of specialists within the department. The "training" of Ministers, like that of permanent Civil Servants, requires a new relationship between technical knowledge and administrative skills.

25. (g) It has been suggested that the sudden arrival of a new kind of official demanding senior status from the outset is only tolerable to the permanent official's long-term career interest so long as the irregular is thought to be a *temporary figure* in the department. The appointments of irregulars (often loosely called "temporaries") since 1964 has recalled wartime and post-war experience to some members of the Administrative Class and it is no doubt questioned how many of these recent direct entrants from other jobs will in fact prove to be permanent. (There have been suggestions to some senior irregulars that they exchange contract service for established posts.)

26. It may be, however, that fears of promotion blockage and other traditional reactions will be allayed by the continuing growth of the Service's tasks and man-power needs. Possibly the whole discussion on "permanents/temporaries" will be dramatically altered if a new consolidated Management Class is created especially if its senior posts, at least up to a certain level such as the current Dpty. Secy. grade, are opened to advertised individual competition, either within the Service (including the irregulars currently on secondment or contract) or beyond it to those in all other walks of life.

27. Two or three years has been suggested as about the right period for full-time irregular service (more for those who are senior political advisers working close to Ministers): this period would include about one year for the official to grasp his job and two further years for its full discharge. Since irregulars all have a professional field in which they are expert, and since they have been brought in to exercise themselves in this field it is probable that a recruit who has the necessary basic administrative interests can become effective in a considerably

shorter period—assuming that he has been put in the right job and is not frustrated by too much routine administration or other work of an unsuitable kind. This suggestion is, however, only an impression gained by some of those who helped prepare this memorandum. The optimum period of service by irregulars would be one of the matters for the objective study proposed by this memorandum.

28. (h) The "irregulars" who occupy administrative positions and who are thus involved in the department's hierarchy and machinery must be given *adequate formal status* to protect their position. The point of their special recruitment is largely lost if they are *either* "on tap" as experts and thus kept outside the administrative machinery for developing advice to Ministers *or* if they are given administrative positions, but so low in the hierarchy that their status precludes full participation at more than a preparatory level. At the same time irregulars should always seek to work in with the regular officials and share their work. It is probably better for a Minister seeking fully to comprehend his Department's problems to have a mixed team of regular and irregular officials co-operating fully rather than a selfconsciously segregated "Ministerial Cabinet" occupying an enlarged Private Office. Information is best shared between people who are working together.

29. When calling for a fairly high formal status for the irregular it is necessary to distinguish him clearly from all other outsiders who may perform work for the Government. Consultants and researchers in particular, advising or enquiring on Government business and not involved in the day-to-day implementation of policy, are in a different position: they are paid, presumably at market rates, for their expert assistance.

30. For some of the senior irregulars the question of status and pay is central to their position as professionals who are now involved in the Higher Civil Service. The view is that "economic-technical" advice needs powerful hierarchical status if it is to "stick": it is essential if experts are to work "at the top and not on tap". One of the functions of the irregular is to bring fresh criticism to bear on policy and administration; to do this he must enjoy access to the meetings and individuals concerned, even, in some more senior cases, to the Minister himself.

31. This view of the status of irregulars does not cover the more junior irregular working in a mixed or largely irregular division or section. Temporary Principals or even temporary Economic Assistants are quite legitimate appointments in divisions having fellow-irregulars in charge or at an even more senior level. (Frustration and contradiction flows from the isolated irregular being dropped into the regular machine when he has policy advice to offer, for which he was recruited.)

32. It has been suggested that a Department having a considerable team of irregulars can best achieve liaison with the formal departmental hierarchy through a chief irregular graded at a high level (e.g. the Coordinator of Industrial Advisers at the D.E.A. who operates at Dpty. Secy. level). Where there are fewer such officials, their senior man should have the ability to report direct to

the Permanent Secretary and the Minister and to receive key information (often characterised as the most important point of all).

33. It has been suggested that the Scientific Class grades offer irregulars of differing ages and seniority a more useful spread of hierarchical gradings than does the Administrative Class or the present Economist or Statistician Classes. The present Economist Class rises to Asst. Secy. level and then extends to individual "Top posts" rising to £8,000 of which there were 7 permanents and 6½ temporaries at 1 Jan. 1966. The same is true of the Statistician Class except that the "Higher directing staff", of whom there were 12 in early 1966 after some internal promotions, rise only to £6,300. (See "Introductory Factual Memo" from Treasury p. 67 and p. 115.) One contributor to this present document claims that the qualifications demanded for the Statistician Class are far higher than the level of much of the work and that career prospects are poor. If classes like this are to develop and so enrich the Civil Service's economic and quantifying work it may be wise to consider a rather more developed structure like that of the Scientific Civil Service:

D-G: salary between Depty. & Perm. Secy.

D.D.-G: salary between U. & Dpty. Secy.

Divisional Director: salary between Asst. & U. Secy.

more senior divisional officials: related to Asst. Secy.

less senior divisional officials: related to Principal

junior divisional officials: related to A.P.

34. As part of the "untying" of the Civil Service's *present non-contributory pension scheme* to make it more similar to other industrial schemes in both the public and private sectors the pension position of the irregular should be safeguarded. The general problem of Civil Service pension reform lies beyond the scope of this memorandum although it should be reported that unanimous and strongly held views favouring pension reform were found among irregulars: they consider that pension problems are the most serious single drawback to wider exchanges of key people between Government service and other walks of life.

The work of the Administrative Class official; Irregulars as agents of wider reform; a non-hierarchical approach to policy-planning and problem-solving work

35. This final section of this memorandum seeks to relate the experiences gained by and of irregulars since 1964 to wider questions of Higher Civil Service practice.

36. After reading the above points which have mainly been contributed to this document by irregulars, a regular Civil Servant might want to reply that many points, claims and criticisms deriving from irregular appointees over the last 2½ years were common currency before this period. The senior irregular's claim that he must be highly graded, well informed within the Department, in personal touch with his Minister when necessary and yet free to return to his former work when he chooses (although on pension while he remains) may well cause resentment among permanent officials.

37. The permanent officials contributing to this document all appreciate that criticism or resentment which is simply directed at the irregulars themselves

is no substitute for an analysis of the total situation which they share with the irregulars. There may be a need to scrutinise the hierarchical system as a whole especially in the spheres of longer-term thinking on Departmental policies and methods. It would seem that the irregulars of 1964-66 may have acted as agents of a climate favouring reform which extends into the regular Administrative Class. This document does not pursue the various aspects of such a climate or of the reform which it might be discovered to favour; its purpose has been to convey to the Committee on the Civil Service some points on irregulars which would contribute to the wider task of Higher Civil Service procedural reform.

38. One general proposal would, however, be in order here as it derives directly from the major point (h) above, on the hierarchial grading of irregulars and their consequential "rights" of access to meetings, information and even Ministers. Criticisms of the Civil Service made by irregulars are not mere claims for sectional aggrandisement but reformist proposals for the Higher Civil Service as a whole; they seem to believe that wider reform is possible and that their own particular problems, notably that of grading, would be best solved by more fundamental solutions.

39. These solutions are best presented by dividing the work of the Service into three main classes: research on the policy problems which face the Department, research on the possible techniques of executing policies, and the actual administration of current work. Only the third of these three broad classes requires a steep hierarchy designed to transmit information to its summit and to pass decisions and instructions down again. The research into possible future policy options, like the study of better ways of carrying policies out, does not require an elaborate hierarchy or very great stress on confidentiality or internal procedures. The atmosphere of the seminar or research institute is a more suitable guide than that of a large executive bureaucracy.

40. The irregulars, being specialist experts, would find their natural place in these two classes, as would, indeed, a good proportion of the officials currently working in the Administrative Class.

41. The third of these classes of work, the "current administration", would of course be concerned with traditional Civil Service procedures such as decisions on cases, financial budgeting, inter-departmental relations and the servicing of the Minister in Cabinet, Parliament and the country. It is greatly to be hoped that if a three-fold division is made in the future Higher Civil Service along any lines similar to these laid down here that the "current administration" officials would be fully aware of the nature and value of the "research" sides—this will be achieved by some interchanges of career officials between the three classes of work, by more interchange with "outside" and (above all) by the introduction of serious training, re-training and refreshment of permanent officials in the skills of analysis and quantifying which lie at the heart of the "research" functions of a modern organisation.

42. Irregulars will have an important part to play in these developments as practitioners of research and planning and as exponents of it to other officials. All the practical difficulties centreing on "hierarchy" mentioned in this paper

will disappear if they can be put in a "round table" rather than an "executive pyramid" kind of organisation. It is to this end that their criticism has been directed since 1964 and it makes them partners with, not competitors of, permanent officials who also favour radical organisational reform. This is not of course to say that no irregular should enter the "current administration" wing of the Department's senior levels: that should be quite possible.

43. Any scheme for dividing the work of the Higher Civil Service into "sides" which may partly avoid the rigidity and unduly tactical thinking often associated with strict hierarchies will have consequences for the post of Permanent Secretary. The idea of forming a triumvirate to carry his present united and most heavy burdens of policy adviser, manager and accounting officer could be extended to include the heads of the "research sides" mentioned here. This would give the Minister a departmental board rather than a single official senior to all others and would introduce the "round-table" approach, with some possible benefit, to the summit of the Department. These questions lie beyond the scope of this memorandum but are included in outline form so that the consequences of having more "irregular" expertise inside Government Departments may be carried through to their conclusion.

List of proposals

- (a) A study of the contribution of irregular officials to the work of the Government since 1964.
- (b) A system of "executive search" designed to serve the whole of the public sector, to be instituted if the Government decides, after study, that irregular officials' contributions bring real benefits.
- (c) Irregulars should undergo a short introductory course in Whitehall organisation and methods to make them effective as soon as possible after arrival. (Paragraph 15.)
- (d) An irregular would normally be wise to begin his service on a full-time basis moving later to part-time if circumstances require. (Paragraph 17.)
- (e) Questions of administrative aptitude of senior irregulars, their optimum periods of service and their formal position in the hierarchy would all be illuminated by the study proposed above. (Paragraphs 22, 27, 28.)
- (f) Criticism of the Civil Service made by irregulars since 1964 should be taken as indications of a wider desire for radical change in the structure of the Higher Civil Service, especially those changes designed to improve the status of "research" functions in the Department covering both future policy problems and executive methods. Irregulars have made certain basic challenges to Civil Service methods by their presence and work and these need to be met.

MEMORANDUM No. 79

submitted by

THE GREATER LONDON COUNCIL

January, 1967

Comparison of Civil Service and local government systems

1. The foundations of the Civil Service were laid at a time when the business of government was overwhelmingly regulatory in character; the Civil Service was concerned rather with rules of general application than with the specific control of the actions of individuals and authorities. During the last half century there has been a radical development in the functions of the central Government so that its decisions and actions now have a far-reaching effect on the economic and social life of the nation. This development has involved a great increase in the amount of executive work undertaken by the present-day Civil Service together with a growing volume of specific control of other bodies carrying out executive and administrative work, often virtually as the agents of the Government.

2. Originally the basic purpose of local government was to administer local services in accordance with local wishes within the framework laid down by Parliament. With the development of the central government functions outlined above local authorities have been used to carry out executive work which was national rather than local in concept. Moreover national policy has increasingly come to dominate many services which in origin were local in character.

3. From these historic beginnings the Civil Service has derived a structure which places the administrator in the leading role. Local government on the other hand works very largely through professional heads of departments; non-professional staff being mainly used in a supporting role to provide clerical or executive services. Generally the main administrative function is that provided by the clerk as a co-ordinator. Moreover in local government the clerk usually combines his administrative function with the professional duty of legal adviser and is usually by training and experience a lawyer. In recent years, however, with the development of services and a growing need for co-ordinating action there has been a tendency to look for purely administrative qualities and experience in the top position. The Greater London Council, which is a new kind of authority, having a large area with special problems and new functions, places a greater emphasis on administrative staff than other local authorities, following in this especially the pattern set by the London County Council.

4. The Civil Service is a true service, all its members being employed by the Crown. There is no corresponding local government service, though local

government officers pride themselves on maintaining the standards of service traditions, since there is no common employer. Both the Civil Servants and the local government officers have the same general responsibilities, i.e. to advise their political masters and to see to the carrying out of policy decisions. The local government officer works in a system in which the decisions are taken or recommended by committees, through which the elected members also exercise a close direction of the work. While the officers advise on all aspects of the Council's work, their delegated powers to decide or to act are very limited in scope. The Civil Servant works under the Ministerial system, under which the delegation to Civil Servants is less rigidly restricted by law so that there may be a looser control and a greater exercise of discretion. These circumstances influence the Council's outlook on the Civil Service and explain its approach to the Committee's terms of reference.

Local government relations with the Civil Service

5. Many aspects of the Council's work bring it into close contact with the Civil Service. In many matters the law, or Ministerial policy, may make it necessary for the Council to obtain approval, to seek advice, or to give information. In all these matters the Council's contacts are normally with Civil Servants and the decisions are often made by them. It is a common complaint among local authorities that the Civil Service adopts an excessively controlling attitude towards them. In the context of this evidence it is right to say that, however desirable it may be that local authorities should be freer of control or supervision, the system derives from policy, and the Civil Service should not be held responsible except in so far as the present state of affairs is founded on their advice.

6. The contacts between the Civil Service and the Council's service, both formal and informal, are considerable; they are perhaps more frequent than those of any other local authority. The Council has found these contacts to be invariably cordial and the Civil Servants concerned are always both helpful and businesslike. It cannot be said that there is any tendency to try to extend control in a personal search for power.

7. A criticism which may be levelled against the Civil Service, but not against all Civil Servants, is lack of speed in reaching decisions. The Civil Service is a vast machine with the ramifications of many departments having interests in particular matters. This frequently leads to a prolonged process of consultation within that service which delays definitive action.

8. These problems may be accentuated by the Civil Servant's lack of knowledge in the field. For example, the Civil Servant who has to deal with local government interests should have a well-informed understanding of the way in which local government works. He should have a good working knowledge of the administration of particular services, of the organization and working methods of local government generally, and of the supporting techniques involved in supply, finance, construction and the like. Building, construction and other forms of development comprise an important part of a local authority's work. Its organization must be very complex, and it is essential that those

responsible for supervision, through the approval or variation of programmes or of individual projects, should have a thorough understanding of the basic stages and procedures, from the planning and design stage to completion, with the multiplicity of skills and disciplines involved, and with the time-scale which all these matters involve. In saying this there is no intention to imply criticism of the knowledge and experience which Civil Servants constantly in touch with local authorities acquire. But the Service career frequently means sudden changes of work, while those who are not intimately concerned with local government may from time to time have to deal with local authorities or their problems.

Staff recruitment, interchange, training, etc.

9. There are a number of ways in which securing the kind of knowledge and experience needed within the Civil Service might be pursued. The Service has shown itself to be well aware of these needs and does much to meet them by cultivating various consultative links with the outside world, by greater interchangeability of staff, by training, and particularly by the use of new management techniques and aids to sound policy formation along the lines indicated in the report of July 1961 by a group under the chairmanship of The Lord Plowden, K.C.B., on the *Control of Public Expenditure* (Cmd 1432). There is also the possibility of recruiting Civil Servants with suitable experience from industry, commerce, local government, and other spheres of activity, and of making arrangements for the interchange of staff, secondment, sabbatical leave, etc.

10. The development of arrangements for the interchange of Civil Servants with staff from industry, commerce, local government, the nationalized industries and the like, could be a fruitful means for augmenting the experience available within government service. It is the Council's experience that the Civil Service has a good deal to teach as well as to learn in a number of fields so that the benefits of interchange would not lie wholly on one side.

11. Interchange can be of two kinds. The first is by way of short-term secondments and exchanges of staff, or by lending staff for specific purposes and periods; more could be done in this field. The second is by effecting a permanent change of career. The amount of such interchange between the Civil Service and local government is, however, limited. A great obstacle is that the services have no common rank and grading structure. A further barrier to interchange arrangements is the present career structure of the Civil Service. A more flexible policy might enable the first ten years or so of the Civil Servant's life to be spent in industry or commerce, or for his secondment in mid-career, without detriment to his career and retirement prospects. It is true that the existing superannuation schemes make provision for interchange. This, however, is not enough; the schemes themselves need to be more compatible than they are at present. There is a positive disincentive to the Civil Servant to change to the local government service with its contributory superannuation scheme offering benefits less attractive in some respects than the non-contributory Civil Service scheme.

12. In some cases wider interchange would be of marked value by improving the scope of what may not already be far from a common service even though it is administered through the Civil Service, nationalized and local government organs. Thus if it were possible to have a common qualification for medical administrators and the grading structure of the ministries, local authorities and hospital medical services could be brought into line, a service could result in which it would be accepted that anyone aspiring to the more senior posts would have had experience in all three branches. This could significantly benefit the recruitment of Civil Service medical staff, remove a source of grievance among them and improve co-operation and co-ordination between the hospital and health authority services.

13. It is important that the Government as an employer of professional staff on a considerable scale should make an adequate contribution to their training. Individual local authorities in varying degrees engage in a good deal of staff training and at present they lose professional staff they have trained in many fields to the Civil Service. The Government should do more to train its own professional staff.

Professional and administrative status

14. Reference has been made to the historic reasons for the professional Civil Servant playing a subordinate role to that of his administrative colleague. With the changing functions of government, and in particular the much greater emphasis on the executive responsibilities of the Civil Service, it may be that the professional Civil Servant has a greater contribution to make than the system allows. In a situation which is becoming increasingly more complex and dependent on technical knowledge, consideration might be given to the local government system of professional heads of departments and opportunity might be given to permit professional Civil Servants in some departments to compete with their administrative colleagues for the top posts.

15. Under the existing organization the technical details of local authority schemes requiring approval are often the subject of discussion and agreement during their early stages between the professional officers of a local authority and the professional Civil Servants concerned. The final decision however, lies with the administrative Civil Servant and is sometimes subject to Treasury control. The advice of the professional Civil Servant may not commend itself to the administrator, while the Treasury view is based only on a third-hand reflection of the original local authority case.

Treasury control

16. It is indeed a constant source of frustration to local authorities that they have often to deal with departments when the power of decision lies with the Treasury to which they have no direct access. There is always the risk of suspicion that their case may not have been adequately put if local authority officers cannot even be present when the matter is discussed with the Treasury; and conversely there may sometimes be the feeling that the department shields behind the Treasury when an unfavourable decision has to be made. Local

authorities are in direct contact with public feeling and with the practical problems of applying policy: the results of this experience could often be of value to the Treasury in considering proposals.

Departmental co-ordination

17. Not dissimilar difficulties can arise from the fact, as has already been mentioned, that a number of departments may be concerned with the same matter. The question how far their policies and practices are co-ordinated, and of the adequacy of the arrangements for liaison between them, is increasingly important to the Council because of the complexity of some of its major functions and of its consequent relations with departments. It is not perhaps the responsibility of the Civil Service, or necessarily within its power, to see that all departments speak with the same voice and that their policies do not diverge. This is ultimately a Ministerial or Government matter, but lack of common or consistent policy must seem to reflect on the capabilities of the Civil Service when dealing with local authorities.

Consultation with local authorities

18. In recent years it has been a growing practice of the Civil Service to invite the local authority associations to comment on proposals for legislation, etc. affecting their services. This is an excellent arrangement which enables practical difficulties to be anticipated and resolved at a stage when this can be done. Local authorities can also offer useful advice on such matters as the availability of resources of manpower, and the mechanics of administration including such problems as that of enforcement. Much of the value of this kind of consultation is, however, lost if the local authorities are given too little time in which to examine proposals. Here again it is perhaps not the fault of the Civil Servants that this often happens, but it can give a misleading impression of their ability and desire to co-operate with local authorities in what is their common task of government. In any case informal contacts between the local authority associations and the Council on the one hand, and Ministers and Civil Servants on the other, should be encouraged. This applies not only to invitations to comment on proposals for legislation, etc. but also to informal advance advice on forthcoming policy decisions. So, too, useful exchanges can take place when the invitation comes from the local government side, as in the case of seminars which have been organized by the Council.

MEMORANDUM No. 80

submitted by

THE "GUARDIAN"

December, 1966

Compared with equivalent organisations in other Western countries the British Civil Service is secretive about itself and its work. As outsiders we cannot claim to suggest definitive answers to the questions your Committee is considering. We would like, however, to submit the conclusions we draw from the observations we have made. These are based on the direct and fairly comprehensive knowledge we have of the working of the Government Information Service (from the users' point of view) and of what we have noticed from time to time of the way various Departments work. What we say about the Information Service is based on direct experience. What we say about the Departments and the Service generally is based partly on direct experience, partly on deductions from the quite long experience of "Guardian" writers who have had dealings with many Departments over many years.

The Government Information Service

2. The usefulness of the Information Service varies widely between Departments. The best, from a user's point of view, are those in which the Press Officer has more or less immediate access to those who know what is happening—the Ministers or the Permanent Secretary. The worst Departments are those in which the Press Officer's status is lowly, so that he is in no position either to inform or (and this can be much more important) to assert convincingly that the Government has no information to impart. When a Press Officer contends that the Government has nothing to say attributably or otherwise this often turns out (once we have talked to a Minister) to be nothing more than the Press Officer's assumption—based on his inability to get hold of the people at the top.

3. The Foreign Office news department is exceptional in being staffed by career diplomatists who regard their work as an extension of diplomacy rather than to supply objective information. The information divisions of other departments are manned to a large extent by people with previous experience as working journalists who recognise an obligation to supply objective information. We welcome the growth of this tradition.

Third-hand news

4. What has happened at the Ministry of Defence is an example of what seems to us to be an unfortunate practice. The Chief Information Officer there certainly has access to the Secretary of State (though not, perhaps, such ready access to the Chiefs of Staff) and is presumably well informed about

developments. He does not, however, talk to the newspapers; and as far as we are concerned it is the man who answers the telephone who matters. A system under which one official gets the information and passes it on to another who then passes it on to the press is unsatisfactory. Apart from the possibility of misunderstandings and reinterpretations it means that legitimate supplementary questions can remain unanswered for hours. For the Department it must also mean an unnecessary duplication of expense and effort. The Departments chiefly affected are Defence and Technology.

"Well-informed circles"

5. All Departments indulge more frequently than is (in our view) necessary in the dissemination of unattributable information. News from a source who does not want to be named will always be regarded with suspicion by a good reporter. For one thing the source can always deny it. For another he may be telling the truth but flying a kite as well. In any case a source who does not want to be quoted (or who wants to be called a "well-informed circle") will always seem to us—and to our readers—to be less sure of his facts than one who doesn't mind being identified. There are many occasions when a Department must choose between saying something unattributable and saying nothing at all. But there are plenty of others, we believe, when a statement could easily have been made attributable, and therefore more credible, without doing the Department any harm. Departments should not be afraid to say what they think, openly, whenever they can.

6. The Foreign Office, which is a problem on its own, is especially addicted to veiling its pronouncements in this sort of pseudo-anonymity. It is also more inclined than other Departments to give what are supposed to be special privileges to some newspapers. We do not like this arrangement, but use it all the same.

The Civil Service generally

What's good

7. The British Civil Service, we think, is at its best when it is using its own resources to perform a prescribed administrative task which does not involve negotiations with outsiders. The Departments which, in our experience, always seemed to know that they were doing and to be equal to the job were the Inland Revenue, the Customs and Excise and the Ministry of Pensions and National Insurance. When they have dealings with the public they don't negotiate, they give orders. The Ministries of Health and Agriculture are only slightly less sure of themselves partly, we believe, because they are sometimes obliged to negotiate with outside bodies instead of administering known pieces of legislation. In normal times the Ministry of Labour would come into the same category.

What's bad

8. The Civil Service is at its worst (we believe) when it is obliged to supervise large sectors of the economy. This is partly because the job is usually done through outside agencies—like the aircraft companies or the nationalised

industries—and partly because the supervisors cannot be expected to comprehend the task itself. The staffs of the Ministries of Transport and Aviation simply cannot know enough about running a railway or building a commercially viable transport aircraft to be able to decide whether B.A.C. or British Railways know enough either. The same is true at the Ministry of Power, which must now try to supervise four nationalised industries, and at the Ministry of Defence which has to supervise much the largest sector of public expenditure.

Recruitment

9. The worst structural defect in the Service is that the field of recruitment to the highest posts is too narrow. The range of tasks has broadened and become more complex and momentous. Yet the men and women who perform them must still be chosen from a very restricted circle—the existing members of the middle ranks of the Administrative Class. The Accounting Officer of the Ministry of Power, for example, handles the biggest investment programme in Europe. His successor will have to be chosen from among a relatively small number of men and even smaller number of women who graduated during the late 1930's or 1940's (probably at Oxford or Cambridge and probably in an Arts subject) and who have had no subsequent experience outside the Civil Service. This system cannot ensure that these extremely important posts in the public service are filled—as they should be—by the British citizen best qualified to perform these new and responsible tasks. Neither Northcote nor Trevelyan foresaw nationalised industries, for example, or investment grants or the need to do the accounting for an overseas garrison costing £600,000 a day.

10. There is another reason why the most pressing need is to recruit the best possible people for the highest Civil Service posts, and it derives from what we think needs to be done to improve the machinery of government. According to our information—which may be wrong but not wildly so—a very high proportion of the Cabinet's time and of the work of its Committees and of the Cabinet Office is spent on reconciling the differing views of different Departments. Up to 90 per cent of Cabinet Office effort, we believe, has been spent on this in fairly recent years. This leaves less time and energy than is desirable for thought about new policies.

4. The creation of very large Departments, like Defence and Social Security, may have lessened the number of disputes (for that is what they are) but it has also made the Departments less manageable. This reinforces the argument for securing the best possible managers. It is becoming increasingly important that Permanent Secretaries, whatever else they do, should concentrate their main attention on management. Even if they are interested (and not many are) Ministers cannot do this. The present system for selecting Permanent Secretaries is unsatisfactory, partly because of the narrowness of the field of selection (see above) but partly also because it is still based on seniority. The Warren Fisher reforms of 1919 were designed to abolish the no-doubt unhelpful system under which Permanent Secretaries and other senior officials were always promoted from within their own Departments, usually on seniority. The choice is wider now, but it is still based on seniority. The fact that Buggins' turn has arrived does not mean that Buggins is the best man for the Department.

which happens simultaneously to need a new Permanent Secretary. It does not necessarily mean that Buggins is any good at all.

12. We suggest, therefore, that the most important reform of all must be to widen the field of selection for the senior posts. It may sound unfair, but we believe that outsiders can do the senior jobs but not the junior ones; Assistant Secretaries, trained under the existing system, are indispensable because they are the chief repositories of detailed knowledge on which their superiors can draw. We suggest, therefore, that the present system of promotion should be retained up to Assistant Secretary level. Above that appointments should be open to all comers, but with a small weighting in favour of Assistant Secretaries. They should be allowed, if they don't succeed, to leave the Service on pension in their forties if they wish. The staffing arrangements would obviously be difficult, but the result—we think—is what matters. And it matters very much.

13. We do not suggest that the present methods of basic recruitment are necessarily faulty. They probably provide the Service with administrators of the type that most Departments require. What is wrong, in our opinion, is that in 1966 the recruitment to the highest posts should be restricted to people who were recruited by the Civil Service Commissioners in the 1930's or 1940's and have been Civil Servants ever since. They are not necessarily the best people for the top jobs. Like Professor Chapman we would recommend the adoption of a variant, at least, of the American system under which the senior posts are open to the whole nation. Contrary to a general belief the American system does not necessarily mean that senior administrators change along with the President.

Deployment

14. In the British Civil Service, we believe, some officials are moved around too much and others too seldom. The Foreign Office, for example, moves people too often and the Board of Trade too seldom.

15. The work of the British Foreign Service suffers, we think, because career diplomatists seldom stay in one country long enough to learn about it. The second-in-command of the French Embassy in London has been here since the war. He is in a better position to keep his Government accurately informed than is his opposite number in the British Embassy in Paris. We often find, when our correspondents visit foreign capitals, that the Oriental Secretary at the British mission is better informed than any of his colleagues simply because he has been there longer. He will never become an Ambassador, but he knows the country (and the language) better than his superiors. Ambassadors should probably be moved quite often in case they go native (like M. Massigli) but their staffs should stay long enough to learn their subject.

16. At the other extreme the Board of Trade (and there are other Departments like it) sometimes leaves the same official in contact with the same industrial group—or group of trade associations—for considerable periods. We believe that this does not help to promote needed change, either in a Board of Trade sponsored industry or in Government policy. The same official may

preside—sometimes for years—over the gradual decline of some branch of industry, sharing its problems and perplexities until he, like the industry itself, understands the problems so well that he accepts them as insuperable. Perhaps they are. But if anyone is to find a solution it will *not* be an official who has failed, over a period of years, to detect one.

Machinery

17. The conversion of the Post Office from a Government Department into a public corporation should prompt other Departments to examine their own structures to see whether the same process could not be repeated piecemeal elsewhere. Questions about the condition of telephone boxes in Cumberland waste Parliament's time. But so do questions about public houses in Cumberland. Most Departments, we think, contain sections akin to the revenue Departments, the Post Office or the State Management scheme sections which ought to run themselves. Hiving them off into public corporations (publishing their own accounts but sponsored by a Government Department) would make for more efficient administration and would lift an unnecessary burden from Ministers, Permanent Secretaries and (though they might not admit it) from M.P.s as well.

18. This process does, however, have two dangers. The first is that it may deprive citizens of their right to complain. The second is the parent Department, for lack of expert knowledge, will be unable to question the possibly dubious activities of the public corporations. Each case would have individual merits. But the first principle should be that no subsection should be hived off if its main activity has to do with the rights and liberties of people. The Home Office could safely shed its direct responsibility for the Carlisle pubs but not for the immigration service. The second principle must be that any Department responsible for a major subsidiary corporation must include specialists high enough in rank and well enough qualified to question on equal terms decisions made by the people who run the corporations. The proceedings of the Select Committee on the Nationalised Industries (not to mention our own observations) suggest strongly that Departments fail to exercise proper control over public corporations because the corporations are able to blind the Department with their own specialised science. Mistakes (in investment programmes for example) go undetected simply because the Department is even less expert than the people who made the mistake. The Ministries of Power and Transport (on the railways side) are not equipped with the right people, in our opinion, to judge the immensely complicated and expensive decisions they are asked to endorse and supervise. Here, if anywhere, senior Civil Servants must be specialists.

19. (The Committee will have the advantage over us of having read the Heaton Committee's Report on the integration of professional with administrative class Civil Servants on the highways side of the Ministry of Transport. It is the only thorough study of this general question that we have heard of and the results—so far as we know—are happy and efficient.)

MEMORANDUM No. 81

submitted by

THE EASTERN REGIONAL HOSPITAL BOARD (SCOTLAND)

December, 1966

Scope of Evidence

1. The Eastern Regional Hospital Board is constituted in terms of the National Health Service (Scotland) Act, 1947, to exercise functions on behalf of the Secretary of State for Scotland with respect to the administration of hospital and specialist services within the counties of Angus, Perth and Kinross, including the City of Dundee. In the discharge of these functions the Board and its officers have a close working relationship with the Scottish Home and Health Department, and the evidence submitted in this memorandum is based on the experience derived from that relationship by members and officers of the Board.

2. The terms of reference of the Committee do not appear to be restricted to the administrative and executive classes of the Civil Service and it has been assumed that comment may be made on the relationship, or apparent relationship, between the administrators in the Civil Service and the "professional Civil Servant". The term "professional Civil Servant" is used here in the Civil Service meaning to indicate the members of professional grades, e.g. doctors, nurses, architects, engineers, etc.

Organisation and Functions of Scottish Home and Health Department

3. It is assumed that it is not necessary to refer in detail to the organisation of the Scottish Home and Health Department but some brief explanation may be useful to supplement the Board's evidence and put it in perspective. The Department's work is organised in sixteen Divisions with the work of the Hospital Service being confined mainly to six of these Divisions. The responsibility for the work of these Divisions lies with one Under-Secretary and five divisional heads (four Assistant Secretaries and one Senior Chief Executive Officer). Within St. Andrew's House itself there are twelve or so Branches within the Divisions, with a Principal or Chief or Senior Executive Officer responsible for each Branch. The Branches concerned with Superannuation, Supplies, Research and Intelligence, and Finance are located elsewhere in Edinburgh and the staff numbers referred to, do not include the Assistant Secretary responsible for the Finance Division and a number of officers of Chief or Senior Executive Officer grade in these other Branches. It will be appreciated, therefore, that, at any one time, the Board and their officers have relatively few Civil Servants to deal with. In addition, of course, there are the "professional Civil Servants" consisting of the medical staff under the Chief Medical Officer, nursing officers, architects, engineers and others, and these are also few in number.

4. The functions of the Department also require some special comment, for they seem to the Board to be different in kind from those of most other Government Departments, sufficiently so at any rate to give rise to special problems in the recruitment organisation and training of the staff of the Department.

5. There has been over the years a progressive increase in the extent to which Government Departments have become responsible, not simply for the traditional function of advising Ministers on the formulation of Government policy, but for the actual execution of that policy in all its detail; and there are now a number of departments, like the Ministries of Labour and of Social Security, which are complete vertical organisations in the sense that they comprehend with the one department the whole field of responsibility for a public service, from the provision of advice on policy to the Minister to, at the other end, for example, the weekly payment of beneficiaries. The staff of such departments undertake at their own hands the whole range of the work involved, and recruitment and training programmes can be designed to serve these ends.

6. The Scottish Home and Health Department is different from this in two principal respects:

- (a) In the first place, it is concerned with the administration and management of a number of separate functions—not only health services, but also such other matters as prisons, police and fire services, the administration of justice, child care, licensing, and so on. In this respect the Department differs even from the Ministry of Health which at least has the single function of administering the health services in England and Wales.
- (b) In respect of the health services in Scotland, and especially of the hospital service, the Department has total responsibility, in so far as full responsibility for the provision of these services is placed statutorily on the Secretary of State for Scotland. This total responsibility is reflected in the fact that the Secretary of the Department, as Accounting Officer, may be required to appear before the Public Accounts Committee to answer for all government expenditure on the Scottish Health Services. But to the extent that the Secretary of State is required by the 1947 Act to delegate much of his responsibility for the administration of the hospital and specialist services, and practically all of his management responsibility, to statutory hospital authorities, the Department's direct responsibility for the execution of policy is more circumscribed than that of, say, the Ministry of Labour. Some of the administration and nearly all of the management functions have to be exercised by hospital authorities and their officers, who are not Civil Servants and are in no way directly accountable to the Department's officers.

7. Against this background the various functions of the Department might each be classified under the following heads, which may be more appropriate on the whole to the administration of the hospital and specialist services than to some of the other functions covered:

- (a) provision of advice to the Secretary of State on the formulation of Government policy;

- (b) formulation on behalf of the Secretary of State of administrative policy for the implementation of Government and Ministerial decisions;
- (c) general supervision on behalf of the Secretary of State of administration and management of the services;
- (d) provision of advice to hospital authorities on management policy and practice;
- (e) direct managerial responsibility for some specific functions, e.g. Whitley Council negotiations on salaries and conditions of service; negotiation of national contracts for certain supplies.

The Department is, therefore, at one and the same time the policy-making body for the hospital and specialist service, and also the top management authority for the service; but it is prevented from exercising the full range of management functions by the statutory organisation of the service.

Present System in Practice

8. From the Board's point of view, relations with the Department are good and the officers of the Board and of the Department are on very close working terms with each other. The Board would not expect it to be otherwise considering the number of staff involved on either side.

9. At the policy-making level the Board have no serious criticism to offer of the work performed by the Department and its officers. The Board are not, of course, fully informed on all aspects of advice tendered by the Department's officers to the Secretary of State, and it is not expected that they should be; but so far as they can judge, and allowing for the fact that some decisions at Ministerial or Government level have to be influenced by political considerations, the quality of this advice is generally sound. This reflects a good general understanding and appreciation by the Department's senior officers of the material needs of the Hospital Service in Scotland.

10. The Board have greater reservation in expressing complete satisfaction with the discharge of the Department's top management functions in relation to the Hospital Service. So far as this reservation may be justified, it seems to the Board to be attributable in part to the present statutory organisation of the service, which prevents any officer in the Department from obtaining practical experience in all phases of the administration and management of the service; and in part to the continuing operation of traditional Civil Service practices in the recruitment, deployment and training of staff within the Department, particularly staff in the Executive and Administrative Classes. Reference has already been made to the first of these points; the second is discussed in greater detail below.

Present Staffing and Training Practices

11. In the Board's opinion, the exclusive operation of traditional Civil Service practices on recruitment and training in relation to both the Executive and the Administrative Class in the Department has the inevitable consequence of impairing the efficiency of top management in the Hospital Service in Scotland.

All staff in these categories are still recruited through the standard competitive entrance procedure, normally direct from school or from university, and for the purpose of entering on careers in the Civil Service in general, certainly not for the purpose of careers in the administration and management of health or hospital services. This breadth of initial objective is reinforced by training programmes in which emphasis is placed, for the Administrative Class in particular, on variety of experience gained by posting every two years or so to work in a different field. However admirable this practice may have been when the principal function of a Department was advising the Minister on the formulation of policy, its value becomes much more open to question as the Departmental function swings more strongly into the field of applied management. The question seems valid where the Department has a single function; it is even more so in the case of the Scottish Home and Health Department with the multiplicity of unrelated functions referred to earlier in this memorandum.

12. Of the administrators in post in the Hospital Service Divisions of the Scottish Home and Health Department at any given time, there will be a number, of course, who have held their posts long enough to become very experienced. Staff movements take place on some scale from time to time, however, and it would seem to be the case that when these movements do take place, the efficiency of Branches and Divisions is of secondary importance to the interests of staff. For example, just over a year ago, some staff movements took place within the Hospital Service Division in St. Andrew's House itself and these changes resulted in new Principals (or other Branch heads) taking up duty in no less than five Branches with none of these new Branch heads having had any previous experience of the work of the Branches. Moreover, at the same time, and shortly afterwards, there were considerable changes in the Executive Officer complements of these particular Branches. A new Under Secretary was also appointed at this time for the Hospital Service Divisions and a change was made in one of the Assistant Secretary appointments. Staff movements of this kind, of course, are dictated by the traditional Civil Service staffing procedures but, in the Board's opinion, practices of this kind are detrimental to the efficiency of the Hospital Service, given the Department's part in the direction and operation of that Service.

Reorganisation of Recruitment and Training: Mobility

13. In the Board's opinion the arrangements for the recruitment, training and movement of staff in the Health Service Divisions of the Department should be reorganised so far as may be necessary so as to secure the best possible top management for the Scottish Hospital Service. It seems to the Board that in some measure this must necessarily entail relaxation of or departure from traditional Civil Service practices on these matters.

14. It is perhaps arguable that the ideal solution might be for all administrative staff employed for the purposes of the hospital service, the staff of Hospital Boards and those in the Department, to be within the one staffing hierarchy, i.e. all Civil Servants; for this would provide the best means of enabling all staff to have the opportunity, so far as might be desirable in the light of their potential for advancement, of experience of administration and management of the

hospital service. This solution is not, however, practicable under the present statutory organisation of the service; and it should be said that it might not commend itself to all hospital authorities even if it were practicable.

15. Short of so radical a solution, the Board consider that the objective can best be achieved by two changes:

- (a) A proportion of the posts in the present Executive and Administrative Classes in the Hospital Divisions in the Department and possibly in the Health Service Divisions as a whole, possibly amounting to about one-third at each level, should be reserved for the direct appointment by competitive interview of suitably qualified officers of Hospital Boards. The purpose of this provision would be to ensure that there was generally available within the Department at any time a number of officers with practical experience of hospital administration and management at Board and hospital level. On appointment to the Department such officers would become Civil Servants, and subject thereafter to the normal Civil Service procedures for training and promotion.
- (b) It is appreciated that the remaining officers in the Health Service Divisions of the Department could not have their careers confined to these Divisions, and should accordingly continue to have the benefit of the breadth of experience afforded by periodic posting. The Board consider, however, that, even with the adoption of the suggestion in sub-paragraph (a) above, the efficiency of the administration and management of the Health Services should be the prime consideration on occasions when the posting of officers is under consideration, and that transfers out of the Health Service Divisions should be approved only if they can be met without detriment to the efficiency of the Health Services. The Board recognise that at the present Assistant Secretary level and above, at which advice on the formulation of policy forms an important part of the work, there is benefit to be gained in the occasional transfer into the Health Service Divisions of officers whose main field of experience has been in other public services.

16. In addition to these arrangements the Board consider there should be an extension of the practice recently introduced for the temporary secondment of staff in both directions between the Department and the Hospital Boards, and that special assistance should be given, for example, by the provision of supplementary lodging allowances if necessary, to facilitate the extension of the practice. Although secondment of this kind would help to augment the experience of a number of officers in both branches of the service, it would not by itself be sufficient to meet the purpose covered by the recommendation in paragraph 15(a) above.

17. The word "training" has been used so far in this memorandum mainly in the sense of training by experience on the job. It is, of course, essential that this training should be supplemented by more formal instruction at organised courses, as is already standard practice within the Civil Service. The Board are aware that within the courses already provided there has been increasing emphasis on instruction in management principles and techniques; but they

consider that there may be room for additional emphasis in courses organised for officers of the Health Services Divisions on the special problems of administration and management in the hospital and health services.

Staffing Structure

18. There are two features of the existing Civil Service staffing structure to which the Board feel that some reference should be made—the relationship between the administrator and the professional Civil Servant, especially within the Health Services Divisions, and the relationship between the Executive and Administrative Classes.

19. In theory the Scottish Home and Health Department operates on a "line and staff" system, with the administrators forming the line management and advisory services provided by the professional and technical officers. This is the traditional organisation of Government Departments, although there has been a trend towards other forms of organisation in other Departments, including the diarchic organisation developed in the Ministry of Transport following the recommendations of the Heaton Committee. The Board are aware of the view advanced in some quarters that the concept of the administrator taking decisions on advice provided by professional experts is fallacious, except where the advice has to be rejected for financial reasons or on grounds of political expediency. It is, of course, apparent that doctors, nurses and other professionals will always have parts to play in the administration and management of health and hospital services, but it has not been suggested to the Board that any change is necessary in the relationship between the administrator and the professional in this field. It does appear to the Board, however, that there is room for greater recognition of the fact that the administrator is himself a specialist and that his training in management should be more clearly organised to fit him for this status. Furthermore, the Board consider that those officers exercising executive authority, whatever category they may be drawn from, should have had adequate managerial training beforehand.

20. The Board have no strong views on the abolition of the distinction between the Executive and Administrative Classes, although it does appear even in current practice that there is very little difference in the type of work undertaken by officers of equivalent status in the two classes. If, however, the two classes were to be combined, the Board consider it important that there should continue to be provision for recruitment to the Civil Service, above the basic grade, of people of high academic qualifications.

Conclusion

21. The Regional Board appreciate that the evidence submitted in this memorandum covers a very narrow sector of the field of the Committee's interest, and that the views expressed may have little relevance to other sectors. The administration of the National Health Service, however, is now a major Government activity, and the Board feel that the Committee may wish for this reason to give special consideration to the implications of this activity for the Civil Service.

MEMORANDUM No. 82

submitted by

THE MANCHESTER REGIONAL HOSPITAL BOARD

November, 1966

Introduction

Constitution of the Board

1. The Manchester Regional Hospital Board are a statutory corporate body, constituted in accordance with Part I of the Third Schedule to the National Health Service Act, 1946, the Chairman and the 28 members being appointed by the Minister of Health.

2. The Region for which the Board are responsible extends from Barrow-in-Furness in the north to Crewe in the south and embraces parts of the Counties of Lancashire, Cheshire, Derbyshire and Westmorland. Within the Region there live nearly 5,000,000 people.

3. The Board are responsible for the administration of all the publicly maintained hospitals within the Region and of all the specialist and consultant services based thereon, with the exception of the Teaching Hospital Group in Manchester. The Board are also responsible for the administration of the Regional Blood Transfusion and Mass Miniature Radiography Services.

Scope of the Board's Evidence

4. Section 12 of the National Health Service Act, 1946, provides that the duty of a Regional Hospital Board is to administer on behalf of the Minister of Health the hospital and specialist services provided in their area. It will be appreciated, therefore, that the Board's main experience in dealing with the Civil Service is with officers of the Ministry of Health and that with this Ministry the Board enjoy a special relationship inasmuch as they are the Minister's agent: their approach to the submission of evidence on the Civil Service cannot, therefore, be as wide in its scope as the approach made by a local authority or other statutory body having contacts with a number of Departments.

5. Nevertheless, although the Board's experience—and consequently their evidence—is restricted in this way, the membership of the Board is drawn from a wide cross-section of people having extensive experience in local government, industry and commerce, and including many different professions. Because of this—and having regard to the terms in which the invitation to submit evidence was couched—the Board have felt able to include in their evidence certain comments of a more general nature.

6. For convenience the Board have arranged their evidence under the following headings:

- A: Structure of the Civil Service,
- B: Recruitment to the Civil Service.
- C: Training in the Civil Service.
- D: General Comments.
- E: Conclusion.

A. Structure of the Civil Service

7. The Board have been interested to observe that the basic structure of the Civil Service has remained unchanged for many years: this feature is, perhaps, particularly marked in the relationship between the Administrative Class and the Executive Class, but the relationship between the Administrative Class and the other Professional and Specialist Classes is also of importance.

Relationship between Administrative Class and Executive Class

8. The Board have noted that the Civil Service has experienced difficulty in recruiting graduates to both the Administrative Class and the Executive Class in recent years.

9. In their report for 1964, for example, the Civil Service Commissioners stated that, as the universities expand and an increasing proportion of able sixth-formers—the traditional source of Executive Class open competition recruitment—goes on to higher education, it was desirable that more graduates should be attracted to the general and departmental Executive Classes.

10. Similarly, the Select Committee on Estimates in 1965 pointed out that since 1954 the number of applications for, and the number of appointments to, the Administrative Class had remained constant, with a probable improvement in 1965, while during the same period the number of students graduating with Honours degrees had increased by 60%: the precise figures showed that, whereas the total number of Honours graduates had increased from 10,000 in 1954 to 16,400 in 1963, the number of appointments made to the Administrative Class had actually decreased from 49 in 1954 to 48 in 1964.

11. It seems axiomatic to the Board that, as opportunities for university education increase, the Civil Service share with the Board and many other employers the problem of increasing their intake of graduates: as the Civil Service Commissioners pointed out in 1964, there is really no alternative because the able sixth-formers are no longer available for recruitment until after they have graduated.

12. The Civil Service has, however, a particular problem to overcome because of the fairly rigid barriers which at present exist between the Executive Class and the Administrative Class and the consequent limited opportunities for a graduate who enters the Executive Class to obtain subsequently an appointment in the Administrative Class. It seems clear to the Board that graduates will continue

to show reluctance to enter the Executive Class if these conditions continue and they are strengthened in this view by the report of the Select Committee on Estimates in 1965, which pointed out that any expansion of graduate entry to the Executive Class, sufficient to meet the losses that must be expected in the school-leavers entry, depended not only on factors such as the competition from other occupations—such as teaching—but also on a considerable change of attitude both within the Service and the universities to the status, functions and expectations of the Executive Class.

13. The Board do not feel competent to make detailed suggestions for dealing with this problem but, if it is felt that the abandonment of the division between the Classes is too radical an approach there are two obvious principles which retain the existing structure and which might prove helpful. The first would be to re-define the relative responsibilities and duties of the Administrative and Executive Classes in such a way that those of the former Class were increased and those of the latter decreased: this would have the effect of increasing considerably the number of appointments available in the Administrative Class to graduates. The second would be to facilitate movement from the Executive Class to the Administrative Class. These two principles are not, of course, mutually exclusive and a combination of both might be helpful.

Relationship between Administrative Class and Professional and Specialist Classes

14. In the invitation to the Board to give evidence particular mention is made of the widening responsibilities of the Government and of the advance of the physical and social sciences: it is pointed out that the nature of the Civil Service work is changing and that new problems must be faced and new techniques adopted.

15. It seems to the Board that one of the most important issues which arises from this changing role of the Civil Service is the relationship between the Administrative Class and the Professional and Specialist Classes. Traditionally, of course, the Administrative Class has borne the responsibility for advising Ministers on matters of policy and the status of the Professional and Specialist Classes, has with a few exceptions, been lower than that of the Administrative Class.

16. While this concept may have been adequate in the past, it seems doubtful whether it can now be justified to the same extent. In making this point the Board are not minimising the importance of the trained administrator nor the value of his role in presenting a balanced statement upon which Ministers can make policy decisions. All that the Board are saying is that undue importance may have attached to the Administrative Class and that policy decisions analogous to those with which the Administrative Class are concerned are taken in industry and commerce by professional and technical men and women: in other words, the Board feel that the criterion in deciding who should occupy a post carrying responsibilities for tendering advice to a Minister on matters of policy should be the administrative ability of the persons concerned and such persons should not be excluded because they belong to a Professional or Specialist Class.

17. In this respect, the Board have noted with interest the experiment carried out recently in the Ministry of Transport where Administrative and Professional staff have been integrated and engineers have been directly involved in policy-making and administration. Similar experiments, it is believed, have been undertaken in other Departments and the Board hope that further consideration will be given to this very important question of the relationship between the administrators and the professional and technical experts.

B. Recruitment to the Civil Service

18. The Board have already said something of their views about recruitment to the Administrative and Executive Classes of the Civil Service in paragraphs 8-13 above, but they also feel that, in addition to securing an adequate number of graduates and school-leavers, it is important that there should be recruitment from other sources from people with experience of other branches of the economy.

19. Because of this the Board suggest that there should be greater facilities for experienced men and women from the hospital service, from local government, and from commerce and industry to compete for positions in the Civil Service; in this way additional experience and fresh ideas could be infused into the Service at all levels. The Civil Service should, in fact, seek to employ the best available personnel irrespective of their source and, in this connection, the Board's evidence in paragraphs 14-17 is of importance because the continued exclusion of specialist officers from the higher administrative levels would limit the number of people from outside sources who would be prepared to transfer to the Civil Service.

20. Again, it is interesting to note that a very limited number of senior positions in the Administrative Class have been made available recently to mature people with experience gained outside the Civil Service. This should, in the Board's view, be done on a much larger scale and there should also be movement out of the Civil Service into local government, commerce and industry: this will be dealt with in the Board's comments on training.

C. Training in the Civil Service

21. If, as seems clear, the expansion of the Civil Service and its work in new fields have inevitably modified the role which it played in the past then it seems equally clear that consideration needs to be given to the type and quality of in-service training which should be available to Civil Servants.

22. In the main, the Board agree with the view expressed by the Assheton Committee on the Training of Civil Servants in their Report published in 1944 to the effect that the main part of any training should be "on-the-job": indeed, the Board do not believe that there is any substitute for this aspect of training.

23. Nevertheless, they know from their own experience that "on-the-job" training can be supplemented by more formal methods of training and, without minimising the value of specialist courses to cover particular subjects, they

cannot stress too highly the value of more general courses in which people from different disciplines and branches can take part: in their view, multi-discipline courses—particularly in management subjects—can do a great deal to improve the effectiveness and usefulness of officers, especially those with middle and senior level responsibilities.

24. The Board also feel, as an extension of the "on-the-job" training, that Civil Servants should obtain experience in other fields, such as local government, commerce and industry. They recognise that this gives rise to certain difficulties and would suggest that any movement of this kind would have to be achieved in such a way that an officer did not, by such secondment, move out of the main stream of promotion within the Civil Service: this might be achieved by making it obligatory on an officer wishing to secure promotion beyond a certain level to show that he had obtained a measure of outside experience.

25. Movement of this kind, as a recognised part of training, together with the recruitment of persons having experience outside the Civil Service, should combine to make impossible in the future the comment made by the Select Committee on Estimates in 1965 to the effect that the administrator in the Civil Service "often lives in isolation from industry, local government and other fields of the Society which he may administrate".

D. General Comments

26. In addition to the views already expressed by the Board in connection with the structure, recruitment and training aspects of the Civil Service, there are a number of comments which the Board wish to make which may arise from the particular relationship which they have with the Ministry of Health but which may also have wider implications. These are now set out under appropriate headings.

Relationship between the Ministry and Regional Hospital Boards

27. In the Board's view the Ministry of Health's function should, fundamentally, be devoted to the formulation of, and advice upon, national policies coupled with management in its broadest sense. The Board have, therefore, considered very carefully the relationship which has developed over the years with the Ministry bearing in mind that they are the Minister's agent, but that, in the last resort, it is the Minister who is responsible to Parliament for the Hospital Service.

28. The Minister's wishes and desires are made known to Boards in a variety of ways: by circulars; by meetings with Chairmen and Chief Officers of Boards; by correspondence on specific issues; and in other ways. Similarly, Boards are able to make their views known to the Minister. The precise balance to be established between central control and local autonomy is obviously a matter of some difficulty and one on which there will invariably be scope for differing views. In the Board's opinion, however, taken over the whole field of their

responsibilities, the control exercised by the Ministry in matters of major policy is the minimum consistent with the Minister's ultimate responsibility and the Board feel that this reflects considerable credit upon those Civil Servants who are involved in this relationship.

29. At the same time, however, it must be pointed out that, although the Ministry take this broad view in matters of major policy, they frequently, and in complete contrast, take a much narrower view in relation to very trivial matters, and the Board feel obliged to question the detailed control over executive action which is developing. Many instances could be quoted but one will suffice: the Board recently had to obtain Ministry approval to pay fees amounting to 45 shillings each for 13 officers of the Board wishing to attend a course of 10 lectures after working hours, designed specifically to illustrate the use of computers in the hospital service. It is not merely difficult but almost impossible to appreciate the need for Ministry control over a matter of such small moment when, in matters of much greater importance, the Board are not subject to any control other than their own careful judgement.

30. The Board agree that national standards are necessary to assist the Ministry in allocating resources to individual Regions: they also welcome the technical advice and guidance which is issued to Regional Hospital Boards and Hospital Management Committees. But, provided that Regional Hospital Boards and Hospital Management Committees are pursuing objectives which accord with national policies and are having regard to the guidance and standards formulated by the Ministry, then the executive action required for implementation should not be the responsibility or the concern of the Ministry.

Financing of Capital Projects

31. The Board's capital development programme is based upon annual allocations from the Ministry of Health and they are expected to so manage their programme that they spend in each financial year neither more nor less than their allocation: this follows, of course, the traditional Treasury method of finance and the same system operates in relation to the Board's revenue allocation.

32. There is, however, a very important distinction to be drawn between revenue expenditure and capital expenditure: the former is utilised on services, goods, labour, etc. which, with efficient management, can readily be controlled throughout the year so as to conform with the total sum allocated, but in the case of capital expenditure Boards are completely dependent, once a contract has been let, upon the rate at which the contractor is able to carry out his task.

33. In other words, the Board are not in a position to exercise control over the amount of money which is spent on any given capital scheme in a given financial year and they are frequently driven to matching expenditure with allocations by introducing an excessive number of comparatively small schemes. This system of annual allocations is wasteful of manpower, and resources generally, and is, in the Board's view, quite inimical to any large-scale building programme: moreover, it places the Hospital Service under a burden which other bodies, such as local authorities and universities, are not required to bear.

34. It is claimed that the Treasury are responsible for adherence to this system and, if this is so, it is the Board's view that the Treasury should abandon the system in favour of one which does not require strict adherence to the spending of a precise amount of money in a given financial year: the system should, in fact, be made to fit the circumstances instead of, as at present, endeavouring to make the circumstances fit the system.

Specialisation and Mobility

35. Reference has already been made to the Board's view that there should be movement both into and out of the Civil Service so that Civil Servants as a whole may have a broader basis of experience than hitherto. This view is consistent with what the Board have said in paragraphs 26-29 about the relationship which should exist between the Ministry and Regional Hospital Boards, because the main qualification in such circumstances at Ministry level is broad administrative experience augmented by specialised knowledge of the hospital service.

36. If, however, the Ministry are to continue to involve themselves in executive action then further consideration needs to be given to the question of mobility because detailed knowledge—which can only be acquired over a considerable period of time—of the Region and its problems is then essential at Ministry level and nothing could be worse from the Board's point of view than having to deal with a succession of Civil Servants each of whom has to master a wealth of detail before he can make decisions which, in the Board's view, they are quite capable of making themselves.

E. Conclusion

37. The Board recognise that, in any organisation, individuals will place different interpretations upon their duties and responsibilities and that many criticisms which are made from time to time about the Civil Service are more properly attributable to individuals than to the Civil Service as an organisation. In preparing this evidence, therefore, the Board have endeavoured to concentrate upon those aspects which appear to them to be integral features of the Civil Service as an organisation and which are not attributable to individuals.

38. In conclusion, the Board's evidence would not be complete if they did not make it clear that the relationships which the members and officers of the Board enjoy with officers of the Ministry of Health are of the highest possible standard and reflect the goodwill and mutual respect which have been established over the years in the course of frequent contacts.

MEMORANDUM No. 83

submitted by

THE NORTH EAST METROPOLITAN REGIONAL HOSPITAL BOARD

January, 1967

We have borne in mind as indicated by the Fulton Committee (a) that the nature of Civil Service work is changing, (b) that there are broadly two aspects of Civil Service work: (i) its "managerial" functions, (ii) its functions in evolving advice to Ministers before Government decisions are taken, (c) that we should consider evidence from the point of view of a "customer" of the Civil Service and also as a body with analogous problems.

2. We have confined ourselves mainly to the Hospital Service's relationship with the Ministry of Health, and we suggest that it should be made clear that, as agents of the Ministry, any points of implied criticism are not intended to reflect in any way upon individual officials of the Ministry but rather to the system within which they operate.

General

3. We have no reason to believe that, basically, the existing methods of recruitment to the Civil Service are unsatisfactory, nor that the quality of service rendered to Ministers and Parliament, etc. falls short of the high standards which have been set in the past. We suggest for consideration, however, certain possible modifications in the organisation applicable to a Government Department such as the Ministry of Health, with "managerial" responsibilities for a nation-wide service.

4. It seems to us for example, that assumptions which may well have been valid when the Civil Service was relatively small and engaged mainly on matters of broad policy, do not necessarily apply to the same extent, now that the Civil Service has expanded to very large numbers taking part, as in the Ministry of Health, in the actual "management" and administration of the Health Service.

5. It was commonly accepted in the past that many of the ablest university graduates looked for careers in the Home Civil Service, entry to which was severely competitive. While this may still be true to an extent, it is generally believed that industry and commerce are now attracting the "first-class honours" men to a much greater degree than formerly, and in any case the vast expansion in size of the Civil Service has meant that the standard required for university graduates accepted for the Home Civil Service must have had to be modified to a certain degree.

6. We suggest that these factors affect the former assumption that the Civil Servant can successfully "administer" any department or service connected with any Department, without any actual experience or knowledge of the service concerned. While this assumption is probably true of the highest posts of all to which officials of exceptional ability will be appointed (and indeed is not confined to the Civil Service), we suggest that, as in industry and other activities, some knowledge and up-to-date experience of the service concerned would be an advantage to most of those who are placed in positions in which they are required to carry out a "managerial" role in that service. It is suggested that this is particularly applicable to the Hospital Service with its increasing complexities and with the considerable developments in the technological and scientific aspects of medicine, an understanding of which is inevitably required for the administration of the Service. In other words, it is suggested that the tradition of the "gifted amateur" may not be an entirely satisfactory basis on which to run an immense service such as the Hospital Service, and that a somewhat more "professional" approach is desirable in such a field. It is commonplace in the Hospital Service for officers of Boards and Hospital Management Committees to complain, without any criticism of the individual concerned, that no sooner has a Ministry official begun really to appreciate and understand some of the problems with which they are jointly dealing than he or she is moved to some other Ministry or other post, and the process has to be repeated with his or her successor who has often no practical knowledge or experience of the Health Service and its problems.

7. There often seems to be a striking contrast between the mobility of the Civil Servant at the Ministry of Health (who is moved or promoted elsewhere just when he is becoming conversant with the problems of the Hospital Service) and the lack of mobility of "designated" and professional officers in the Hospital Service, many of whom have occupied the same posts for 10, 15 or more years. Put in a rather over-simplified way, there seems at times to be too much mobility of certain officers in the Ministry of Health and too little mobility in the Hospital Service itself.

8. We appreciate that the "pooling" system in the Civil Service, by which Civil Servants are moved and promoted from one Department to another has advantages for the Civil Service generally and provides wider opportunities for promotion for able Civil Servants. We think, however, that this creates difficulties for the Ministry of Health *vis-à-vis* the Hospital Service for the reasons mentioned above, in relation to its "managerial" functions. We accept the distinction drawn by the Fulton Committee between the two aspects of Civil Service work and to overcome these difficulties we make the following suggestions:

- (1) That the "top" administrative and "political" direction of the Health Service should remain with the Civil Service, i.e. the Ministry of Health, who would deal with major policy and political issues, including the function of evolving advice to the Minister before Government decisions are taken.
- (2) That the internal running of the Health Service, i.e. the "managerial" aspect, should be largely delegated to what might be described as a

central "General Staff" (comparable to the Army organisation) recruited mainly from within the Health Services, and thus with full current knowledge and experience of the day-to-day problems of the Health Service including the Hospital Service. This "General Staff" would be under the broad direction of the Ministry, but would not consist of Civil Servants, but of administrative and professional officers from the Hospital, Local Health Authority and General Practitioner Services. We envisage an interchange on all professional and administrative grades between those in the field, including local government, and this central body; and while some officers might hold permanent posts at the centre as part of a career structure, we think that provision should also be made for short-term (and even if necessary part-time) appointments, including consultants and other professional staff as well as administrative staff, of those who would return to the field, having been selected to serve on the central body for a 2- to 5-year period.

- (3) We think that an arrangement on these lines could provide not only for a career structure for administrative staff, but also for professional officers to fill executive posts in a management structure, i.e. medical staff, architects, engineers, experts on supplies matters, etc.
- (4) We believe that in this way a corpus of knowledge and experience of the Hospital Service (and Health Service generally) would always be available to execute central "managerial" direction of the internal running of the Service, within the general Ministry framework and subject, as mentioned above to, the overall supervision of the Ministry on major policy and political issues.
- (5) We believe that such an arrangement would be to the advantage of the Hospital Service (and Health Service generally), for example in lessening the length of time sometimes experienced in obtaining decisions on various points, or to the need to refer to "Higher Authority".
- (6) At the same time we suggest there is a need, in the Hospital Service, for more delegation to Boards, e.g. on the details of capital work and other matters, to avoid duplication of work at Board and central levels and to enable decisions to be taken more rapidly.
- (7) We feel that an arrangement on the lines suggested in (2) above would lead to a closer link than we feel exists at present, between the General Practitioner, Local Health and Hospital sides of the Service centrally, as well as providing for the highest level of professional advice to be available to the Ministry itself.
- (8) Under the aspect of training we suggest that an extension of training in management would be desirable not only for Civil Servants but also for administrative and professional officers who would be eligible to serve on such a central body as we have suggested, and we believe that there is a need for joint training in management, with other disciplines, of medical staff who have an aptitude for medical administration.

- (9) Finally, whether or not the idea of an N.H.S. "General Staff" of experienced administrative and professional officers is acceptable, we feel the main points of principle to which we have referred should be met in one form or another, i.e. (a) the provision of a permanent cadre of ex-Hospital (and Health) Service Administrative and Professional Officers within the Central Ministry framework to provide that "expert" approach to the internal managerial problem of the Service, e.g. supplies, finance, administration, staffing, as well as the experienced professional advice so necessary in these days of rapid developments in the scientific and technological aspects of medicine, (b) the need for a continuous and regular system of interchange of staff between the centre and the bodies working in the field, (c) the need for more delegation from the centre in detailed administration (as opposed to major policy) to Boards, as far as the Hospital Service is concerned.

MEMORANDUM No. 84

submitted by

THE OXFORD REGIONAL HOSPITAL BOARD

November, 1966

Introduction

This memorandum of evidence has been prepared in response to the Committee's invitation to the Board dated 14th July, 1966. The Board would be willing to supplement this by giving oral evidence before the Committee if requested to do so.

2. The evidence is submitted from the Board's point of view as a principal agent of the Minister of Health in the planning, administration and financial control of the Hospital Service in the Oxford Region, in accordance with the National Health Service Act, 1946. It is therefore an organisation which has day-to-day dealings with the Ministry of Health over the whole field of its activities. It is also an organisation which has problems in relation to its own structure, recruitment and management which in some respects impinge upon, or are closely related to, those of the Ministry of Health.

The changing nature of Civil Service work

3. Ministers are immediately responsible to Parliament and ultimately to the electorate for their official conduct. Acceptance of this responsibility may in certain circumstances result in a Minister resigning his office on an issue for which he could not possibly have had personal responsibility. One consequence of this is that the Civil Service appears to see the protection of Ministers as its primary task, with the result that the only issue on which the Ministry of Health regularly acts with a sense of urgency is in obtaining information for an answer to a Parliamentary Question. This system worked admirably before the State began to play such a prominent and positive part in the economic and social life of the country, particularly in the administration of services such as the National Health Service. An important consequence of failing to adjust a powerful system to changing circumstances is, in the Board's opinion, that delegation in comparatively minor matters is often defective, and that checking and re-checking at Ministry level of details which have already been rigorously scrutinised at the appropriate operative level involves a substantial waste of manpower, not leaving the officers at the Ministry level sufficient time to exercise their general co-ordinating and directing role, and creates the impression of a lack of sense of urgency at the centre which is not in the best interests of the National Health Service.

4. The Board has no criticism of the way in which advice is evolved before decisions are taken. Not only has the Minister of Health a number of Standing

Advisory Committees; he also sets up *ad hoc* advisory bodies and consults them whenever the need arises, and there is effective and regular contact between officials of the Department and the Chairmen and Chief Officers of Boards.

5. But after decisions are taken it appears to the Board that the respective managerial functions of the Ministry and the operating parts of the Service get confused. It should be said at the outset that these are criticisms of a system rather than of the officials who have to operate it, officials with whom the Board and its officers enjoy cordial relations and whose readiness to try to understand the Board's problems and to find solutions for them is appreciated.

6. Once policy has been decided at the higher levels, however, there is a strong tendency on the part of officials (administrative, professional and technical) at somewhat lower levels to concern themselves to a greater extent than is desirable with matters of detail. Nowhere is this more clearly apparent than in the planning of capital projects, and the delays which result from over-attention to detail and from the internal machinery of consultation within the Department, not only lead to frustration but also make it extremely difficult for Boards to adhere to their building programmes within an annual capital allocation.

7. One of the principal causes of these delays is that professionals in the field (this includes doctors, nurses, architects, engineers and administrators) have to argue their case with subordinate officers at the Ministry who only know how to work to rules already laid down and who have not the authority to give decisions. It may be that the Ministry in its meticulous examination of plans saves the country many millions of pounds. If this is so, it is not generally known. Experience in planning and controlling substantial capital expenditure in other walks of life points to the opposite conclusion. Basic responsibility should always be as near the point of actual expenditure as possible. It might be worth the Ministry analysing for its own benefit the worthwhileness of its own scrutinies, so that it can redouble these efforts where they are most needed and relax them where they are not.

8. Another cause of delay which results from the internal machinery of consultations in the Department is that there are many people concerned (or with the possibility of being concerned) with a particular subject who may have to be gathered together for a discussion, which may take a very long time to arrange. Similarly, a file on a particular subject may require all these officials to indicate that it has been seen by them and that they have had an opportunity to make observations. Some of them may feel that they have to make observations, although they may have little or nothing to contribute. The passage of a file in this way may take even longer than the time to arrange a meeting. This lack of a sense of urgency (except with regard to Parliamentary Questions) appears to be built into the mechanism of the Ministry.

9. In many other respects too the Department is over-concerned about detail. It is justifiable, for instance, for the Department to specify the number of hospital representatives who may be allowed to attend an International Congress, but not to require each Board to make a case for each member or officer it wishes

to attend. It is justifiable, too, to lay down conditions for the attendance of technicians at Training Courses away from their home town, but not to require individual applications to be made by Hospital Management Committees through Regional Hospital Boards to the Department. These are only two examples out of the many which could be quoted.

10. The apparent lack of communication between divisions within the Department is another cause of concern to the Board. To take a recent example, one division of the Ministry of Health has refused to designate for the purposes of Sections 4 and 5 of the National Health Service Act, 1946, a number of beds which another division of the Ministry had already agreed, in detail, should be included in a major development and which has in fact been built and equipped. The reason given is that a review of Sections 4 and 5 beds is now being carried out.

11. Another aspect which makes difficulties for Boards is the frequent changes of personnel that take place both within the Department itself and between the Ministry of Health and other Government Departments. It is recognised that there must be avenues of promotion within a Department and within the Civil Service generally, but it does frequently happen that just when an effective working relationship between Board officers and officials of the Department has been achieved there is a change of officers, a new official comes in with no previous background of experience of the Hospital Service, or perhaps of the particular aspect of it which is being dealt with, but who, because of his previous experience and training, has an entirely different approach, all too often a much narrower one.

12. It seems to the Board that there is a real need for a greater degree of continuity, and also that at least some of the officials should have direct experience of the working of the Hospital Service at both Board and Management Committee level. This would not only create a body of expertise at the Ministry, but would give officials a better appreciation of the need for quicker decisions in a service which has such a direct impact on the life and well-being of the community.

13. It is recognised that there are difficulties. The Civil Service and the administrative class of the Hospital Service are recruited in entirely different ways and enjoy quite different conditions of service. Ideally, Ministry officials should spend some part of their early years in the field, but if their next step is to be to the Home Office or the Ministry of Transport such experience will be of little value to them. Career planning should today be capable of avoiding such inappropriate results, particularly in the middle-senior levels where it is very desirable to build up a cadre of officers in the Ministry who during the formative periods of their Civil Service careers and training have been able to familiarise themselves fully with the work of Regional Hospital Boards, Hospital Management Committees and Boards of Governors of Teaching Hospitals, and the way in which their respective responsibilities are discharged. At higher levels other difficulties arise; at this stage of an official's career it is not easy for him to move, say, from London to Newcastle for two or three years. If, however, the corpus of middle-senior officials referred to in the

preceding sentences were, in fact, to be built up, the need to move officers at the higher levels would be very substantially reduced. Provided that they had had some first-hand experience of the work of the Service, brief visits, which would not involve a change of home, could be effective. The problem needs to be tackled as a whole as difficulties that are occurring in any one part of the scheme tend to disappear if the scheme as a whole is realistically designed and operated.

14. As a corollary to this building up within the Department of a cadre of career Civil Servants who have had some first-hand experience of the work of the Hospital Service, there is, in the Board's view, also a need within the Department for a permanent cadre of experienced senior hospital officers. (The term "officers" is intended to embrace medical, nursing and technical as well as administrative officers.) A little has been done in this direction by way of a few secondments, but it is not enough. Here again there are difficulties, especially where the financial effects of such secondments or appointments act as a disincentive, but it should not be impossible to overcome them.

15. The point must, of course, be made that consideration of the suggestions about interchange of personnel must have regard to the fact that the Ministry of Health is concerned not only with the Hospital Service, for which it has a direct responsibility through its agents the Regional Hospital Boards and Boards of Governors, but also for the other health services, such as those provided by Local Health Authorities, whose relationships with the Ministry are on an entirely different basis.

16. It seems appropriate at this point for the Board to offer some comments on the Civil Service generally as an independent observer. The Board accordingly suggests:

- (a) that steps should be taken to encourage more recruitment from universities other than Oxford and Cambridge and from grammar schools or their equivalent levels in the comprehensive schools; and
- (b) that consideration should be given to creating something analogous to short-time Commissions in the Army, so that more temporary staff could be recruited and given the option of becoming established.

It is suggested, too, that more people should be brought in at appropriate levels from the world outside, e.g. industry, commerce, and accountancy.

17. With regard to training, it is recommended that appropriate courses should be available at perhaps three stages in the career of a Civil Servant; and that (as recommended earlier in the particular case of the Ministry of Health) at least some officials from Ministries should have had direct experience of industries or other organisations outside their own Departments with which their work as Civil Servants brings them into contact. In this way they would obtain a better understanding of the problems with which the men in the field are concerned.

18. Lastly, there is the question of remuneration. The Board appreciates that the Committee is not concerned with remuneration, but there are certain aspects of this subject which interfere with recruitment, particularly in some of

the specialised Departments. The Board is aware, for instance, that in the case of some of the Departments concerned with the Social Service, one Department offers higher salaries than another, and that Departments who have to compete with Local Authorities for similar grades of staff are unable to offer similar rates of pay. Instances are known where a Department advertising for, e.g. Inspectors, offers rates of pay which are less than those of the people whose work they will be inspecting and advising upon, which inevitably results in a poor type of applicant.

Conclusion

19. On the whole, as an organisation which has dealings with the Civil Service in its capacity as an agent of the Minister of Health, the Board gets a reasonably good service from that Minister's Department, but it could be improved on the lines suggested, and if this were done it should lead to greater efficiency and effectiveness.

MEMORANDUM No. 85

submitted by

THE SHEFFIELD REGIONAL HOSPITAL BOARD

December, 1966

1. This evidence has been prepared on the basis of the experience which the Board have with one Department of Government, namely the Ministry of Health.

2. The notes which were provided in amplification of the terms of reference of the Committee have been considered in detail and many aspects of the Civil Service have been reviewed but the Board have decided to restrict their evidence under two headings:

(a) Changes in Personnel.

(b) Recruitment and Mobility.

(a) Changes in Personnel

3. As seen by the Board, the effectiveness of the Ministry's managerial functions appears to suffer from frequent changes of personnel within the Department. The management of an organisation like the Hospital Service requires officers concerned to become acquainted over a fairly long period of time with its problems and its personalities.

4. Those administrative officers who are concerned with the Hospital Divisions and are in close contact with Regions acquire a considerable amount of background information about the particular problems of a Region. Frequent changes of personnel can slow down the process of decision-making until this background information has been acquired. Moreover, it is only over a relatively long period of time that the close personal relationship can be established which is conducive to quick decision-making.

5. A number of posts in the Department necessarily require officers to acquire a considerable expertise in specialised fields of activity; this is essential in order to maintain an effective service to hospital authorities. It is therefore more important that frequent changes of personnel occupying these posts should be avoided.

6. The function of the Department in evolving advice to Ministers before Government decisions are taken, appears to be carried out effectively so far as relatively short term problems are concerned. There does, however, appear to be some evidence that when it comes to long range strategic planning, the effectiveness of the Department can be seriously inhibited by lack of continuity

at the most senior levels. This problem is perhaps accentuated in the case of the Hospital Service by the absence of an effective staff college or research establishment as an adjunct to the Department.

(b) Recruitment and Mobility

7. There is a need to strengthen the staff of the Ministry of Health by enlisting the services of hospital officers who have had a variety of experience "in the field"; such officers should take a major part in the managerial functions of the Department.

8. The staffing of the Service Departments in the Ministry of Defence appears to offer a useful analogy. The Service Departments are staffed not only by Civil Servants, but also by serving officers and other ranks from the Royal Navy, Army and R.A.F. Normally the servicemen spend a tour of duty in the Departments and are then posted back to their normal duties.

9. Recruitment of hospital officers could be effected in two ways:

- (i) by the offer of permanent appointments;
- (ii) hospital officers could be posted for extended tours of duty at the Ministry of Health on a planned movement basis.

Possibly both methods could be used to accommodate the circumstances of individual officers. The provision of temporary or unestablished posts, or arrangements for secondment, are not always satisfactory, particularly to officers in the provinces. If experienced officers are to be encouraged to move to London, they expect to take up residence in the London area and to make permanent provision for the education, employment and welfare of their families and dependants.

10. There would also be much to be gained by recruiting into a Department, managing a service like the Hospital Service, people with experience in industrial and commercial management and the nationalised industries.

11. Methods of recruitment into technical grades at all levels should ensure that Departments always contain a proportion of professional men who have had a variety of experience outside the Civil Service.

MEMORANDUM No. 86

submitted by

THE WELSH HOSPITAL BOARD

December, 1966

The Board acknowledges the magnitude and difficulty of the task to be undertaken by the Committee. They also recognise the very wide field included in the Committee's terms of reference, and are appreciative of the invitation to range freely on all aspects of the Civil Service. However, it is submitted that any comment made or written evidence submitted, either constructive or otherwise, can only be authentic and useful if it is based on actual experience which justifies such comment. This being so it would seem that the third point which the Committee have mentioned would be the appropriate one with which to deal, namely: "As a customer, e.g. as an organisation or body which has dealings with the Civil Service; how good a service do you or your members/member institutions get?"

2. The Welsh Hospital Board is in a special position, *vis-à-vis* the Civil Service. The Minister of Health has offices in Cathays Park, Cardiff, adjacent to the Welsh Hospital Board. This proximity of the "customer" to the "supplier" has resulted in some administrative benefit, e.g. "on-the-spot" appreciation of problems, quick lines of communication, etc. However, it might be pertinent at this point to make some general observations.

3. Whilst the value of assistance afforded by the Welsh Office is freely and gratefully acknowledged, it is a matter of fact that often matters have to be referred to the Ministry in London for consideration and determination, thus creating another "tier" with consequent delays. The Board respectfully requests the Committee when considering the structure of the Civil Service, its hierarchy, its functions and financial control to have regard to the particular position of the Principality.

4. In this connection it is submitted that the local powers could be broadened as far as possible so as to ensure regional control and managerial functions within the framework of Government policy.

5. As has been indicated the Board does not feel competent to offer any observations on the first and second points set out in your letter of 14th July, 1966.

6. The Board, however, feels that the advantages which would accrue following a streamlining of the administration in accordance with the principles set out in the preceding paragraph would be considerable. In particular, the

building programme would have a much greater impetus by the removal of time now consumed by the duplication of procedure occasioned by the absence of delegated power to a regional office.

7. Generally speaking, the Board gets excellent service, help and co-operation from the Welsh Board of Health—there is a ready and ever-growing appreciation of our difficulties and problems.

MEMORANDUM No. 87

submitted by

THE INCORPORATED SOCIETY OF AUCTIONEERS AND LANDED PROPERTY AGENTS¹

June, 1966

I have been asked to request the Fulton Committee to consider the question of the recognition of the examinations of the Incorporated Society of Auctioneers and Landed Property Agents for appropriate established professional posts in the Civil Service, e.g. Valuers in the Inland Revenue, Land Agents in the Ministry of Defence Lands Department and the Estates Department of the Ministry of Public Building and Works.

2. It is understood that the present requirements for candidates for such posts include passing the Final Examination of the Royal Institution of Chartered Surveyors, or of the Chartered Auctioneers' and Estate Agents' Institute, or of the Chartered Land Agents' Society, or the holding of the B.A. (Estate Management) Degree Cambridge or the B.Sc. (Estate Management) Degree London and also achieving corporate membership of one of the three chartered bodies mentioned.

3. The Society, which was founded in 1924, has conducted examinations since 1926. Until 31st December, 1949, admission to membership was either on examination or on practice qualifications. On that date, however, the doors were closed to entry on practice qualifications and admission has since been on examination qualifications only, apart from a small number of exceptional cases principally in Scotland for which the Society has as yet no separate syllabus.

4. At the present time, the examination scheme comprises four Divisions, namely General Practice, Agricultural Practice, Housing and Estate Management, and Chattels. It is suggested that the appropriate examination Division for Civil Service appointments would be the General Practice Division, and the following table shows the number of successful and unsuccessful candidates in the Final and Direct Final examinations in this Division during the past twelve years:

<i>Year</i>	<i>Passed</i>	<i>Failed</i>
1955	29	15
1956	14	20
1957	28	25

¹ Amalgamated with the Valuers Institution and renamed Incorporated Society of Valuers and Auctioneers (1st April, 1968).

<i>Year</i>	<i>Passed</i>	<i>Failed</i>
1958	20	21
1959	23	15
1960	17	2
1961	21	8
1962	22	8
1963	24	12
1964	54	32
1965	58	23
1966	47	26

5. I am enclosing twelve copies of the Membership and Examination Regulations which include the detailed syllabus.¹ It is submitted that the standard and scope of the Society's examinations compares favourably with those of the Chartered Auctioneers' and Estate Agents' Institute.

6. There have been numerous recent references in Parliament (e.g. in the Written Answer given in the House of Commons by the Minister of Housing and Local Government on 2nd December, 1965 on the abandonment of the quinquennial rating re-valuation due in 1968) and elsewhere to the admitted shortage of valuers in the Inland Revenue, and the Society submits that, if recognition were given to its examinations for appropriate established professional posts in the Civil Service, a wider field of applicants would be available for recruitment. No suggestion is being made, of course, that corporate membership of the Society in itself should be recognised, but only that corporate members who have qualified by examination should be eligible to apply for such posts.

¹ Not printed.

MEMORANDUM No. 88

submitted by

THE INSTITUTE OF BIOLOGY

August, 1967

I. Introduction

1. The Institute of Biology is the professional body representing qualified biologists. It is concerned with the position of scientists generally, and of biologists in particular, both in the Civil Service and in those quasi-Government bodies whose organisation, terms and conditions of service are closely related to those applied to scientists directly employed by Government. Some attention is also given to problems of mobility of scientists between Government and industry.

2. Biologists have a special interest in the organisation and efficiency of the Civil Service because of the magnitude of the Government's interest in biological subjects, such as agriculture, forestry, fisheries, food, nature conservation, medicine and aspects of defence. Biologists are concerned to see that their particular expertise is economically and efficiently used; that the special contribution which the biologist can make to administration is recognised because of the broad view which he must necessarily take in relation to other sciences and professions; and that the organisation of Government science is such that biological considerations are given their due weight in the determination of policy and its execution.

3. As an employee the biologist considers that the career prospects and opportunities for advancement within the Civil Service should be not less favourable than for those who enter with similar qualifications in other scientific disciplines and in the professional, managerial and administrative classes.

4. This memorandum is presented in two main parts. The first deals with the improvement of the efficiency of the Civil Service by changes in the status of the scientist in general and biologist in particular and in the organisation of the Civil Service, especially at the higher levels. The second concerns modifications of the present Scientific Civil Service structure, including training, recruitment and mobility, designed to increase efficiency in the use of biologists and to offer satisfactory careers.

II. Science, management and administration

(a) Improvement of the status of scientists relative to administrators

5. The Institute considers that those who decide policy and advise Ministers should be fully competent to take into account scientific and technological, as

well as social and political, considerations and in particular the implications of rapid advance in fundamental biological research.

6. The Institute takes the view that the contribution which science can make to the efficiency of the Civil Service cannot be fully effective so long as there is an almost total absence of scientifically qualified persons in those classes (administrative and executive) which have the responsibility for determination of policy and management of the general work of the Civil Service.

7. The present state of affairs is accentuated by the fact that scientists do not normally have direct access to Ministers, except at the invitation of administrators who decide for themselves the circumstances in which they will seek scientific advice. In a hierarchical system like the Civil Service effective power is frequently a matter of having such rank that one's intervention can be made, as of right, at the appropriate level. Thus many directors of research stations are Deputy Chief Scientific Officers and a few are Chief Scientific Officers, the latter being the equivalent of Under Secretary, above whom, in the administrative hierarchy are two further levels, Deputy Secretary and Permanent Secretary. There is only one scientist on the latter salary. An important aspect of any reorganisation of the administrative and scientific services would be to eliminate these differences in the interest of proper scientific influence.

8. Anomalies exist at present in the organisation of administrative and managerial responsibility as between scientists and members of other professions. In the Ministry of Agriculture, for example, the Legal and Agricultural Economics Divisions are under the control of a lawyer and economist respectively. By contrast all other Divisions, however technical their subjects (e.g. Animal Health, Advisory Services, Land Drainage) are under the control of non-technical administrators to whom all professional officers, irrespective of rank, are nominally subordinate and through whom they make representations through the administrative machine.

(b) Inefficient use of manpower because of duplication of work between scientists and administrators

9. In day-to-day work this involves inefficient use of manpower in general and of scientists in particular because of the need constantly to work through the intermediary non-technical administrators and executives a system which involves unnecessary duplication of work. Scientists are often denied essential clerical assistance under their own control.

10. A scientist may go to a great deal of trouble to assemble information about a policy matter and usually he may know a fair amount about the non-scientific aspects and take these into account, whereas the administrative side often works in these matters independently of the scientist and may not always understand the scientific implications.

11. The disadvantages of this dual system become most apparent in international negotiations since in many countries other than Great Britain the scientist is normally also responsible for executive and policy matters in his

sphere of activity. The Administration and Organisation of Plant Health in Britain and elsewhere is a case in point.

(c) Proposal for management of scientific subjects by scientists

12. The Institute proposes that the Civil Service be organised so that all subjects with a high technical or professional content should come, in all aspects, administrative, scientific, technological and managerial, under the control of appropriately qualified specialists.

They would have access to Ministers through a Chief Scientist in each Ministry who should have administrative and managerial control. Except in Ministries without executive scientific functions, the appointment of scientific advisers without staff or responsibility, or of part-time Scientific Advisory Committees nominated by administrators, is an unsatisfactory substitute for proper scientific organisation.

13. The need for scientists in administration, management and policy formation is two-fold. They are required for the management of scientific activities, as already described, and as general administrators. Here the need is to ensure that sufficient persons at policy making level have a full and sympathetic understanding of scientific methods and scientific problems. Those who start their careers as scientists and who will eventually become leaders, either in science or in general administration, must first practise their science for a number of years (some say at least ten) so as to obtain the necessary experience.

(d) A common higher administrative-scientific class

14. The Institute considers that the logical solution to the problem of bringing science fully into the operation of the Civil Service is to provide for a common managerial and policy-forming class immediately above the present common level of Principal-Principal Scientific Officer.

This class would be open, by promotion to all, scientists or non-scientists, selected on merit. Provision could be made for transfer into the lower ranks of the administrative-managerial class (i.e. below the present Principal level) of scientists who have been specially selected and trained. Where special qualifications or experience are needed appointments could be made from outside the Service, but this should be exceptional.

The adoption of such a scheme would imply that whereas certain higher posts would necessarily be held by scientists (e.g. Directors of research laboratories or of specialist services) no one should be banned from a higher administrative post merely because his career in the Civil Service had hitherto been in a specialist category.

(e) Management training

15. A scheme of this kind will involve much in-service training under which all officers would receive some formal training in administration and management several times in the course of their careers, starting at "Scientific Officer" level. In the earlier years special explanation may be necessary to persuade the young research worker that attendance at such a course is in his own best interests.

Those officers who show a particular aptitude for higher administration, policy formation and management would receive more intensive training, lasting at least six months, especially at time of transfer to the new "administrative-scientific-professional-managerial" class. Such training would help to redress the balance of advantage in experience gained by the direct entrant to the managerial class.

Equally important is the need for members of the managerial class to receive some training in scientific principles, especially in those branches of science related to the Ministry in which they are serving. For example managers in the Ministry of Agriculture, Fisheries and Food should receive some formal training in appropriate aspects of agricultural, fisheries or food science.

III. Changes in present conditions of service

(a) *A single graduate class of scientists*

16. In Government service there is a smaller number of posts for those trained in a biological subject than for chemists and physicists. This has resulted in the standard of entry to the Scientific Officer Class for biologists being set very high and, in consequence, the recruitment to the Experimental Class of a high proportion of good graduates, some of whom would have been acceptable in the Scientific Officer Class had posts been available.

The difference in career prospects in the two classes is considerable and it is very difficult indeed, particularly in small units, to provide for class-to-class promotion of good Experimental Officers. There is also the difficulty, within the present structure, of demoting the Scientific Officer who has not come up to expectations.

17. It is desirable to provide a general class structure covering all scientists and, where possible, other professions, rather than to make special arrangements discipline by discipline. The Institute is therefore in favour of a single graduate scientific class with sufficient grades to permit recognition of differing qualifications on entry, to reward responsibility and to provide careers corresponding to those offered in other classes with similar entry qualifications and responsibilities.

18. The system of special merit promotion without the need to accept administrative responsibility should continue.

19. The Institute does not consider that the Scientific Assistant, entering with "O" or "A" levels should form part of this class, but should have some means of preferential entry on obtaining the necessary graduate qualification.

(b) *Recruitment and career prospects*

20. Since the Institute considers that scientific aspects of management and policy formation should be dealt with by experienced scientists who are members of the new higher managerial-scientific class, rather than by those whose career has been entirely in administration (even if their original qualification

was in science), it does not propose to put forward proposals for encouraging the direct recruitment of more science graduates into the existing Administrative Class.

21. It considers that at present science graduates are attracted to enter as Scientific Officers rather than as Assistant Principals, in spite of the better career prospects of the latter, because at this stage they want to do scientific work rather than management.

The new graduate scientist is often able to take a full part in the work of a Government laboratory after a short induction period though for some posts, e.g. advisory ones, many years experience may be needed. The new Assistant Principal spends many years as a pupil but his rate of promotion is faster than that of the scientist who enters at the same time.

The Assistant Principal and the Scientific Officer enter on the same scale and are normally promoted at about the same age but not to corresponding grades. The A.P. goes directly to the Principal scale, whereas the Scientific Officer goes into the Senior Scientific grade, intermediate between Scientific Officer and Principal Scientific Officer, whose salary scale is the same as Principal. The average Senior Scientific Officer reaches Principal Scientific Officer at age 38. This is the career grade beyond which only a small number proceed and in some departmental grades career prospects are not as good. On the other hand by age 38 the average direct entry Administrative Principal has probably become an Assistant Secretary, the career grade, the range of whose scale is twice that of the Senior Principal Scientific Officer, to which the average age of promotion is 45. Beyond Assistant Secretary, the administrator goes directly to Under Secretary whereas the scientists has yet another intermediate grade, Deputy Chief Scientific Officer, before he can reach Chief Scientific Officer, the Under Secretary equivalent.

22. The young scientist is not deterred by these discrepancies at time of entry. It is usually only after he has been in the Civil Service for some time that he becomes aware of them, especially if his day-to-day work brings him into contact with the workings of the administrative machine and with his former fellow students in other faculties. The effect of the discrepancies in rank in the effectiveness of scientific intervention in the policy-making process has already been discussed in paragraph 7.

The Institute has not examined in detail the implications in regard to grading and career prospects of the proposals for a single graduate class of scientists (paragraph 16) and a common higher administrative scientific class. It is important, however, that whatever organisation is adopted the career structure should be such that the anomalies in careers between scientists and administrators described in paragraph 21 are not perpetuated.

(c) Recruitment and the Civil Service Commission

23. One aspect of the present machinery of recruitment which needs improvement is the provision of information regarding careers in science in general and in biology in particular in the Civil Service and the Research Councils. The information provided by the Civil Service Commission is of a general character and only applied to appointments within the Civil Service proper. Whilst it

recruits for the Scientific Civil Service (a general Treasury class), which staffs certain establishments in the Ministry of Agriculture, and for the National Agricultural Advisory Service, a departmental grade in the same Ministry, it does not recruit for the Agricultural Research Council nor for the grant-aided Research Stations (e.g. Glasshouse Crops Research Institute) which do similar work. To obtain a post suited to an individual's bents and talents he must often write directly to the Directors of Research Institutes to find what particular vacancies exist.

24. So far as the Civil Service proper is concerned there is a need for the specialist services within the Civil Service Commission to be strengthened so that the wide range of appointments in the Government Service may be made known to University students and others. More should be done by advertisement and other means to give wide publicity to specific vacancies. The process of finding candidates, arranging boards and declaring results should be speeded up so that good candidates are not lost to other organisations whose recruiting procedure is quicker. Speed in the process is particularly important for specialist posts in small units.

25. The Civil Service Commission might also be made responsible for the provision of general information regarding appointments to scientific posts in the Research Councils and grant-aided organisations although the actual recruitment would continue to be decentralised.

(d) Technical Training

26. Apart from management training (paragraph (e) 15), the existing provisions for in-service training in the art and practice of science are generally satisfactory. The good scientist takes every opportunity, by personal study and practice, to improve his skills throughout his career.

27. Attendance in official time or time-off for attendance at scientific meetings and the symposia of the various biological societies are granted reasonably freely when the subjects are related to the officer's work.

28. It is suggested, however, that there may be a need for some formal training or refresher course when a scientist moves to a different kind of scientific work or takes up a wider scientific responsibility involving control of scientists of disciplines other than his own.

(e) Mobility

29. Proposals have already been made for facilitating mobility between science and management, within the Civil Service (paragraph 14). Unnecessary barriers also exist between scientific organisations within the Civil Service and the grant-aided organisations. Thus movement of biologists within the Ministry of Agriculture, Fisheries and Food is made difficult because some are in the Scientific Civil Service, others in the National Agricultural Advisory Service, others allied to the Executive Grades (e.g. the Plant Health Inspectorate), (all being supernumerary under the Acts), whereas those doing similar

work in the research institutes of the Agricultural Research Council or the Nature Conservancy, fully financed from public funds, are not Civil Servants and are superannuated under a special scheme, although they have the same grades as the Scientific Civil Service. Those biologists in Industrial Research Associations and the Universities partly financed from public funds have yet other terms of service.

30. At one time Scientific Officers in the Civil Service proper were superannuated under the Federated Superannuation Scheme for Universities (F.S.S.U.) in order to encourage mobility but very little movement in or out of the Service actually occurred and anomalies between the poor pensions received under that scheme compared with those given to most other Civil Servants under the Superannuation Acts forced a change to the present system in 1954. More mobility probably occurs now than previously because of the easing of the transfer arrangements in the Acts and the increased opportunities outside the Civil Service.

These should be looked at further so as to encourage mobility without penalising those whose particular expertise it is desired to make mobile in the interests of the efficiency of the Service. A particular anomaly at present exists between scientists in universities and the Research Councils who are obliged, on the same grade of pay, to receive 5% less remuneration than the corresponding scientists in the Civil Service proper. This is the price which the scientist must pay for the rarely-used ability to move to another similarly superannuated post at his own choice. The movement of the Civil Service scientist aged under 50 is subject to Departmental veto.

31. Other barriers to mobility within the Government Service are the specialisation of biologists, difficulties of comprehending and the tendency for widely separated establishments, even within the one Ministry, to be run as separate entities.

32. The Institute considers that every effort should be made to encourage mobility of biologists in the interests of efficiency and sound organisation. To that end, common grading and conditions of service for similar work should be adopted. A system of superannuation should be devised which will provide maximum opportunity for movement without, however, prejudicing the position of the biologist in the Civil Service relative to his managerial colleagues, who should also enjoy the same opportunity of movement.

MEMORANDUM No. 89

submitted by

THE INSTITUTE OF COST AND WORKS ACCOUNTANTS

February, 1967

Introduction

1. As the terms of reference of the Committee on the Home Civil Service include an examination of Civil Service recruitment and training, the Council of The Institute of Cost and Works Accountants believes it is appropriate to submit evidence concerning recruitment into accountancy posts in the Civil Service of men specifically trained in the field of industrial accountancy, namely members of The Institute of Cost and Works Accountants.

The Civil Service and Industrial Accountancy

2. In recent years the Government and the Civil Service have become increasingly involved in industrial affairs. Contract work undertaken by industry for the Government is growing in volume and complexity, giving rise to major problems in connection with costing and pricing of government contracts. The two reports of the Inquiry into the Pricing of Ministry of Aviation Contracts (Cmnd 2428 and Cmnd 2581) have much to say in this connection.

In other industrial matters the Government has developed various means of influencing or controlling industrial activities, of encouraging or assisting development, of improving standards of training and of encouraging greater productivity. In the field of accountancy, a full understanding, based on practical experience, of modern accountancy techniques used in industry must be of great value to the Government Departments concerned.

Moreover the nationalisation of certain major industries since the war has created a greater need for more detailed knowledge and understanding of modern methods of financial and cost control on the part of various Government Departments than was necessary previously.

Accountancy appointments in the Civil Service

3. The Civil Service Commission leaflet 590/67 entitled "Home Civil Service, Accountants and Senior Accountants", sub-paragraph 14(1) (copy attached at Appendix "A"¹) sets out the duties of accountants in a number of Government Departments. It shows that the work is concerned with the ascertainment and verification of financial information, and with costing and cost control systems. The procedures and techniques employed in this work should obviously be compatible with the most modern cost and management accountancy techniques used by efficient industrial companies in the control of their business.

¹ Not printed.

Government Departments which control industrial installations such as naval dockyards will wish to ensure that the most modern cost and management accountancy techniques are used to measure productivity, control costs and achieve maximum cost effectiveness.

4. In achieving the greatest understanding of industry and its problems and in executing these functions, Government Departments will clearly find it advantageous to have recruited accountants with the most appropriate knowledge and experience. The requirements may be summarised as follows:

- (a) their professional studies and examinations should have included wide and deep coverage of cost and management accountancy and of financial management in industry;
- (b) their qualifying practical training should have involved a long period of full-time accountancy work in industry;
- (c) they should be practical men well versed in budgetary control and costing and thoroughly experienced in analysing and interpreting cost and other figures and communicating findings to executive management;
- (d) they should have been directly involved in effecting cost reduction and obtaining increased productivity in industrial situations.

A properly qualified cost and management accountant meets precisely these requirements.

The Work of the Cost and Management Accountant in Industry

5. In the early part of his career, the cost and management accountant in industry is, generally speaking, engaged in such activities as:

- (a) ascertaining the present costs of running departments, of carrying out operations and of making products;
- (b) dealing with labour, material and overhead costs in relation to specific activities;
- (c) assisting in the preparation of budgets, comparing actual costs with budgets and guiding management in ensuring that there is no waste of manpower, materials, machines or money;
- (d) helping management to reduce costs and to keep costs low and productivity high;
- (e) keeping management informed as to which activities are sufficiently profitable and which are not.

As he becomes more senior his responsibilities grow in the field of management accountancy, and his professional skills and practical experience enable him to provide information and advice to top management to help in the overall financial control of the enterprise and in planning for the future.

6. Training and examinations for membership of The Institute of Cost and Works Accountants is specifically related to the work of the industrial accountant, covering cost, management and financial accountancy, with emphasis always on the practical application of his professional knowledge.

The part played by The Institute of Cost and Works Accountants

7. During the First World War the need for new and better forms of costing in connection with Government contracts became apparent and in consequence they were introduced. As a result a significant reduction of Government expenditure was achieved. Stemming from this development The Institute of Cost and Works Accountants was founded, in 1919, to encourage the wider study and use of cost and works accountancy in industry.

The Institute today is the professional accountancy body in Britain specialising in cost and management accountancy in industry. It has a membership of 9,700 Fellows and Associates and it has some 22,000 registered students. The great majority of these are employed in industry. It has 60 active branches and sub-branches, including 7 overseas.

8. The work of the Institute and its members has developed greatly over the 48 years of its life. It now covers all the most modern aspects of industrial cost and management accountancy, including the applications of electronic data processing and to an increasing extent the uses which can be made of such techniques as value analysis, operational research, network analysis, and other mathematical and statistical methods.

9. The Institute has an active research and technical department and keeps its members up-to-date in all aspects of cost and management accountancy by means of its branch meetings programmes, regional and other technical conferences, summer schools and its monthly technical journal "Management Accounting". It has also issued a large number of publications in book form concerned with specific aspects of the technical work of its members. A list is given at Appendix "B".¹

Industrial Accountancy Qualifications (F.C.W.A. and A.C.W.A.)

10. The Institute exercises close control over the standard of entry into the profession. Not only must the registered student pass the Institute's five-part examination but he must also have at least three years' sound practical experience in industrial cost and management accountancy before admission to Associate membership. These conditions are rigorously applied.

11. Details of the Institute's examinations (18 papers involving 48 hours of examination), in comparison with those of certain other accountancy bodies, are given at Appendix "C".¹ This comparison shows that the Institute's examinations cover the subject of industrial accountancy and management more thoroughly than do those of the other accountancy bodies, which naturally devote a large part of their examination time to such subjects as auditing and taxation.

¹ Not printed.

12. Associates may be admitted to the grade of Fellow when they have had not less than five years' practical experience of cost and management accountancy in a senior and responsible position.

13. The integrity of the Institute's qualification is maintained through the strict application of the Institute's code of professional conduct by the Council and its Disciplinary Committee.

The standing of the Institute's qualification

14. The value of the Institute's qualification is well recognised in industry where the demand for the services of members has outgrown the supply. This recognition is demonstrated by advertisements for accountants in the press and in the Institute's journal "Management Accounting". Typical examples are given at Appendix "D" attached.¹

15. Many of the Institute's members hold appointments as Financial Directors, Financial Controllers or Chief Accountants of large industrial companies. Others hold high level positions in nationalised industries and other important bodies.

16. Many large industrial concerns run training schemes for registered students of the Institute based on the Institute's requirements of practical experience.

17. The Burnham Committee has given official recognition to the Institute's qualification as a degree equivalent for the purposes of salary scales for lecturers.

18. With four members out of twelve on the Joint Board, the Institute is a senior partner with the three Institutes of Chartered Accountants and the Association of Certified and Corporate Accountants in the recently established Joint Diploma in Management Accounting Services. This is the highest post-graduate accountancy qualification open to members of these five bodies. It is significant that these bodies agreed that those Fellows of The Institute of Cost and Works Accountants who had qualified by passing the Fellowship examination in Management Accountancy should be granted the qualification J.Dip.M.A. automatically, i.e. without further examination or test of practical experience, a condition which does not apply to members of any of the other bodies.

19. The Institute has been approached from time to time on a variety of cost and management accountancy matters by officials of the Treasury, Ministry of Health, Ministry of Labour, Department of Economic Affairs, National Economic Development Organisation and the British Productivity Council. It is represented on the United Kingdom Automation Council and National Council for Quality and Reliability.

20. The Institute was invited to give evidence at the inquiry into the pricing of Ministry of Aviation Contracts and subsequently to the Joint Government/

¹ Not printed.

Industry Committee set up to study the problem of overhead costs. One of the members of the Committee nominated by industry is a member of the Institute.

21. The standing of the Institute is recognised by the International Congress of Accountants. The Institute was invited by the U.K., Dutch and American sponsors of the 6th, 7th and 8th (quinquennial) International Congresses respectively to provide speakers, rapporteurs or chairmen of sessions. The French sponsors of the 9th International Congress to be held in Paris have invited the Institute to produce papers and provide rapporteurs.

22. The Institute's technical work, its conferences and publications are frequently mentioned in the national and provincial press.

Situation regarding recruitment into the Civil Service

23. The Civil Service has not yet recognised the Institute's qualification as appropriate for direct recruitment into the accountancy class of the Civil Service, even though in many departments detailed knowledge and practical experience of the most modern industrial accountancy methods are essential. (See appendix "A", already referred to in paragraph 3.) Nevertheless certain Government departments do appear to encourage members of their accountancy staff to study for the Institute's qualification. The Institute's strict requirement regarding three years' practical experience of industrial cost and management accountancy as a prerequisite for admission to membership does, however, make it impracticable for staff generally to qualify except in those cases where the necessary practical experience can be obtained in such installations as dockyards, or in ordnance factories.

Conclusion

24. The Institute submits that in the light of the increasing involvement of Government Departments with industry and the effect of technological developments on financial planning and on the range and complexity of Government contracts, it would be to the advantage of the accountancy service in Government Departments if the Civil Service accepted as a qualification for recruitment, membership of The Institute of Cost and Works Accountants, which is the only recognised accountancy body specialising in industrial accountancy.

MEMORANDUM No. 90

submitted by

THE INSTITUTE OF LANDSCAPE ARCHITECTS

December, 1966

The Institute's case to put before the Committee is based almost entirely on one point—that on matters affecting the human environment, the countryside, and the surroundings to buildings the officers of the Crown are largely deprived of the advice of the professional man best qualified in this subject, because, at present the Landscape Architect is not recognised as a Works Group qualified professional by the Civil Service Commission.

2. The composition and aims of the Institute of Landscape Architects, its educational policy and standards, will be found in the attached Appendix. These will show that the profession of Landscape Architect is a properly constituted profession in its own right, with an examination policy by which its full corporate members reach a standard of competence equivalent to that exhibited by such persons as architects, engineers, planners, etc.

3. The profession has received recognition by local authorities, new towns' corporations, and large commercial and industrial organisations in landscape design for housing, parks, entertainment, industrial reclamation and reinstatement, playing fields, playgrounds, roads, waterways, power stations, mineral workings, etc. Government Departments recognise the work of the Landscape Architect in certain ways, by the engagement of consultants, and in some instances by insistence upon a plan for landscape treatment being prepared by a qualified Landscape Architect as a condition of planning consent. By a strange anomaly, however, the Civil Service Commission does not recognise the qualifications of this Institute as giving entry to the professional classes of government officers.

4. As evidence that work for Landscape Architects exists in Government Departments, there are two professionals (engaged by their second profession as architects) and five landscape assistants in the Ministry of Public Building and Works; there are officers doing this type of work in both the Ministry of Housing and Local Government and the National Parks Commission, though nominally employed as Planning Officers; and there is one professional with no other qualification engaged as Landscape Architect to the Ministry of Transport on a special scale after three years temporary engagement at the recommendation of the Royal Fine Arts Commission. It is understood that all these officers are understaffed and overloaded with work, yet are unable to recruit staff because the qualifications of their professional colleagues are not acceptable to the Civil Service Commission.

5. In the country as a whole there is a grave shortage of Landscape Architects and opportunities for training are few. This situation is aggravated by lack of recognition, because the absence of a careers-structure in central Government does not encourage the University Grants Committee and those responsible for grants from Local Authorities, to develop their policy of making grants to students, for strictly professional training.

6. This Institute is of the opinion that restriction in the number of Landscape Architects in training, is a mistaken policy. Reports such as the Countryside in 1970 Conference report; the South East Study; and the Government proposals on a Countryside Commission with its intended countryside parks, all lead to the conclusion that a great deal of positive landscape design is needed in the near future to provide a satisfactory environment for the present and increased population, and to cope with the "leisure explosion". The demand is, in fact, already being felt—the profession cannot provide even *half* the applicants to fill posts currently being advertised.

7. A request for recognition was sent to the Civil Service Commission from this Institute in 1964, but repeated enquiries have failed to elicit a reply, either giving approval to recognition, or giving adequate reasons why such recognition should be withheld.

8. In view of the Fulton Committee's brief to examine the structure of the Civil Service organisation and the services which it can give, it is felt that the current situation with regard to this severe gap in professional advice should be given in evidence.

APPENDIX ON THE CONSTITUTION AND EDUCATIONAL REQUIREMENTS OF THE INSTITUTE OF LANDSCAPE ARCHITECTS

The Institute of Landscape Architects is a fully fledged professional body, admission to which is restricted to qualified people, trained to act in a responsible professional capacity. It is affiliated to the International Federation of Landscape Architects. Present membership is over 700 in all classes, including Probationers, qualified members being designated Associate (A.I.L.A.) and Fellow (F.I.L.A.), including eminent members of allied professions.

Practice

Landscape designs prepared by qualified landscape architects today form an essential part of planning projects which involve large-scale environmental changes. Many local planning officers now require such designs to be prepared and submitted before any major scheme is given serious consideration. In many planning decisions referred to the Ministry of Housing and Local Government the Minister has made his approval conditional upon the preparation of acceptable landscape plans.

¹ Since this memorandum was prepared two universities in England have set up chairs in Landscape Architecture.

Landscape Architects have been for some years engaged as consultants by the War Office, Air Ministry, Admiralty, Central Electricity Generating Board and other similar bodies. They have been engaged as established professional staff for many years in the London County Council; County and County Borough Councils; Local Authorities; and the majority of the New Towns Development Corporations.

Education

The educational standard of entry into the profession, in line with other professional bodies, is five passes in the G.C.E., two of which must be at "A" level. Students taking post-graduate courses may be accepted if holding degrees, diplomas, or certificates regarded as being equivalent to the required educational standard.

Training for Associate membership normally requires a five-year course of study. The necessary training may be obtained at university or other educational establishments; or by a post-graduate course of shorter duration; or some equivalent course of study resulting in the passing (or exemption by Diploma) of examinations in three stages. A condition of membership is a period of professional experience and the passing of an oral examination in professional practice. Fellowship is obtained after at least seven years' practice as a Landscape Architect, and the production of evidence of professional competence.

The qualification of Associateship is generally recognised in professional fields as being the equivalent of a university degree, and is of equal standing with the professional qualifications A.R.I.B.A., A.M.T.P.I., etc.

MEMORANDUM No. 91

submitted by

THE INSTITUTE OF MUNICIPAL TREASURERS
AND ACCOUNTANTS

July, 1967

Employment of Professional Accountants in the Civil Service

The Institute of Municipal Treasurers and Accountants is incorporated under Royal Charter. Its main object is to promote the science of finance and accountancy in the public services. The Institute was founded eighty years ago, and its members who number 6,993 provide a service to a variety of types of local and public authorities. The range of its interests is wider than its title implies, and includes public supply services (gas, electricity and water), hospitals and the District Audit Service.

The Institute sets a high standard of professional competence and practice as one means of improving financial administration and accountancy in the public services. Because the main function of the Institute is the objective and disinterested pursuit of a science, it does not engage in any transactions with a view to the pecuniary gain or profit of its members. The Institute is a registered Charity.

1. The Institute makes representations to the Committee on the Civil Service to urge two propositions:

Proposition 1:

that the establishment policy of the Civil Service should be changed to take proper advantage of the contribution which accountants and the accountancy profession could and should be making to good government.

Proposition 2:

that the Institute of Municipal Treasurers and Accountants be recognised in the establishment arrangements as a body whose professional accountant members have a worthwhile contribution to make in central Government.

Proposition 1

The Establishment Policy of the Civil Service

2. As the Institute understands it, the principle upon which the Civil Service at present recruits and employs professional accountants is that in a few Government departments there is a limited range of work either in or allied to the realm

of industry and commerce, and of a character which demands the services of professionally trained accountants experienced in commercial accounting practice. It is reasonable to assume from this that the basis of the present policy is that professional accountants can make little or no useful contribution to central Government as such, either in the formation of policy advice, in the management and financial administration of its extensive and varied services, or in the application of specialist management techniques employed in its operations.

3. There are a handful of exceptions to this principle, but the number of accountancy posts in the Civil Service is so small (less than 400) in relation to the size of the central Government, that the principle may be said to be rigidly applied.

4. The Institute considers that since the time when the present establishment policies of the Civil Service were framed, the changes in the functions, size and objectives of the central Government on the one and, and in the accountancy profession on the other, have been fundamental.

Changes in Central Government

5. The size of the central Government in the period since the principles of the Civil Service were last formulated has increased dramatically. This growth is not only the result of an expansion of the traditional functions of the central Government, but is also a consequence of responsibility for new functions being placed upon the central Government executive. Some of these functions involve large-scale administration; others, new financial, fiscal and economic measurements and controls. As a result, the purposes, objectives, and size of the central Government are now quite different from those of the central Government of a previous generation. A central Government in which the management functions were probably of comparatively minor scale in relation to policy and politics has given way to a central Government the greater part of which is engaged on the management and administration of large-scale and complex functions.

Changes in the Accountancy Profession

6. During this period of change, the accountancy profession has also altered substantially. The traditional picture of the main function of accountants as passive account compilers applying a limited range of highly specialised and complicated accountancy principles in the presentation of accounts on periodic and formal occasions, has been invalid for some time now. A large part of the profession engaged in local authorities, public supply services, industry and commerce, is engaged on a range of functions in which members apply their basic accountancy skills as managers, financial administrators, practising economists and specialists, in a variety of management techniques.

7. One of the marked features of the past thirty years is the role which accountants have played in senior management. There has been a rapid growth of numbers of professional accountants employed in industry, commerce and local government; a wide range of responsibilities have been placed upon them; and they are expected to make a major contribution at all senior levels of organisations, particularly in decision-making and management.

8. Thirty years ago, the number of professional accountants totalled 35,000. Today, the numbers in the profession are 75,000, of which 45,000 are employed in industrial, commercial and local government organisations. This growth of accountancy profession employment in organisations has taken place in a free market and has been dependent entirely on the assessment which a large number of individual and independent organisations have made of the value or otherwise of employing professional accountants. It is in no way due to any legal requirement or to any restrictive practice.

Comparison between Industry, Commerce and Local Government, and the Central Government

9. This development of the contribution which accountants are making in industry, commerce and local government is in striking contrast with the position in the Civil Service under the formal constraint imposed by the present establishment principles. This contrast between central Government and the rest of the economy leads the Institute to suggest that the onus is not upon the accountancy profession to make a case as to why professional accountants should be employed in the central Government. The Institute suggests that the onus of making a case rests firmly upon anyone who continues to believe that the accountancy profession has little or nothing worthwhile to contribute to a central Government service which commands over 40 per cent of the gross national product of the country.

10. The Institute does not submit detailed proposals to the Committee upon the position of accountants in the establishment arrangements of the Civil Service because this must be dependent upon the conclusion of the Committee on the structure of the Service as a whole. But the Institute submits three specific points in relation to accountants in the Civil Service.

11. First, the Institute suggests that the establishment arrangements for accountants should not be based solely on the recruitment of fully qualified professional accountants from outside the Service, but should be primarily based upon entrants to the Service attaining full accountancy professional status during their initial service in the Service.

12. Secondly, an argument sometimes used against the development of professionalism is that it tends to produce a specialist administrator at the expense of the development of the all-round qualities of a general administrator. The Institute recognises that there was substance in this view in the past, but suggests that because of the increased complexity of the economy and of administration, the establishment arrangements for the future should no longer be based upon adherence to a form of recruitment and training directed solely to the development of the general administrator.

13. Finally, the Institute suggests that the existence of professionalism can itself be a strong attraction to large numbers of persons of high calibre, and because the Civil Service now requires a much larger number of high-calibre entrants than in the past, the opportunity to achieve professional status can be an attraction to prospective entrants. This factor is recognised in the National

Plan in the references made to the need to improve the management standards of the economy as a whole:

"... Professional standing is something which is so well understood and respected in Britain that it is desirable that those engaged in industry and commerce, which are the mainspring of the life and prosperity of the nation, should be able to earn that standing for themselves. Moreover, an increasing number of young people want to go to jobs with recognised professional standards. For these reasons the Government intend to approach the main institutions concerned with the improvements of management to see whether the time is ripe to put their membership on a more professional basis and, if they agree, to study how this could be done."

(Chapter 4. Paragraph 43).

Proposition 2

The Institute of Municipal Treasurers and Accountants

14. The second proposition which the Institute wish to make to the Committee on the Civil Service is that it be recognised as a body whose professional accountant members have an important contribution to make in central Government.

15. From the preamble to this note, the Committee will observe that the objects of the Institute are particularly relevant to the training of accountants in the Civil Service. The first object of its Royal Charter specifically includes reference to Government departments in defining local and public authorities which it should serve.

16. The Institute does not regard itself as a specialist accountancy body in the sense that it concentrates on special and peculiar facets of accountancy as such, but rather that it is concerned with the application of common and basic accountancy principles and techniques in the environment of the public services. Its examination structure illustrates this:

Syllabus—Intermediate Examination

Accountancy and Costing.
Accountancy.
Auditing.
Commercial Law.
Elements of Public Administration.
Financial Administration.

Syllabus—Final Examination (Part A)

Advanced Accountancy and Costing.
Advanced Accountancy and Taxation.
Administration.
Law and Finance.

Syllabus—Final Examination (Part B)

Auditing.

Banking and Public Finance.

Economics (or District Audit Law and Procedure).

Statistics.

17. The I.M.T.A. has traditionally set itself a high professional standard. At the present time its minimum education entrance requirements are higher than any other accountancy professional body in England and Wales; and its high examination standards are rigidly applied. In addition, whilst other accountancy bodies relate some part of their training to the needs of companies and industry, the I.M.T.A. relates some part of its training and examination arrangements to the needs of the public services (Administration papers in Local Government; Water Supply; District Audit Service of the Ministry of Housing and Local Government; Hospitals; Gas; Electricity).

18. For these reasons, the Institute submits to the Committee that it is an organisation which is particularly relevant to the needs of central Government, and that the establishment arrangements for the Civil Service should recognise this.

19. The Institute makes a final point in support of this second proposition. It is clear that there will be fundamental alterations to the internal public administration structure in Great Britain in the next decade or so. The future of Regional Councils and Boards, the probable change in the structure of local government, and the impact of technological and other developments, such as computers, emphasise this trend. The Institute considers that there would be substantial advantages if there was more interchange of senior and other staffs in the various parts of the public service structure. The Institute believes that appropriate recognition of the role of the accountancy profession in the Civil Service and, associated with this, recognition of the Institute, would make possible a healthy interchange of senior financial administrators between local government, public bodies and central Government.

MEMORANDUM No. 92

submitted by

THE INSTITUTE OF PERSONNEL MANAGEMENT

January, 1967

Introduction

1. The Institute wishes to thank the Committee for the invitation to present this evidence which is derived from the views of members having special responsibility for personnel management in all its aspects in a wide range of undertakings.

2. In submitting this memorandum the aim has been to deal only with those aspects of the terms of reference on which the evidence from members of the Institute seems most likely to assist the Committee in its work. The Institute will be glad to provide any further help it can give.

3. The Institute, founded in 1913, is a professional management association of nearly 8,000¹ men and women employed in the personnel function of management both in the United Kingdom and overseas. Its aim is to encourage the development of personnel management by (a) establishing through training and other services high standards of qualification and performance; (b) disseminating information about personnel management practice and promoting investigation and research.

Membership is on an individual basis and the Institute's members are employed in a wide variety of companies covering the private sector of industry, commerce, banking, insurance, transport, wholesale and retail distribution and in the field of public administration.

4. For the information of the Committee a pamphlet is attached to this memorandum which describes the structure of the Institute and the services offered to its members.² In addition, a copy of the Memorandum and Articles of Association of the Institute is also enclosed.³

Comparison of Civil Service and other forms of Organisation

5. There are basic similarities in all forms of organisation. All are concerned with the formulation of policy and securing executive action to carry it out. A key resource common to all organisations is the men and women who run them: in order to attract staff an organisation must present an acceptable public image; to retain them it must adopt personnel policies which ensure that performance and morale are maintained at a sufficiently high level to promote maximum

¹ As at 31st December, 1966.

² Not printed.

efficiency and stability. The Civil Service is no different from any other organisation in this respect. However, the increasing involvement of government with industry has served to highlight differences between the Civil Service and industry in its personnel policy, although some of these differences may be more apparent than real. The Civil Service, for instance, gives the impression of rigidity in its staffing policies and practice compared with industry, which generally appears more adaptable and dynamic. On the other hand the absolute security of employment offered in the permanent Civil Service is seldom found in industry.

Staff structure and recruitment

6. One significant way in which the Civil Service differs from business is in its apparently rigid hierarchical structure of classes and grades of staff which has developed from the recommendations of successive Committees and Commissions. In practice the process of recruitment appears to establish not only qualification for initial appointment but also generally to predetermine career possibilities. This structure appears to be based on the assumption that the two functions of policy-making and executive action are generally clearly distinguishable. Thus it is the prerogative of the Administrative Class to formulate policy, and the Executive Class to carry it out. Specialist classes of Civil Servants also appear to be divorced from what might be termed the mainstream of management. In industry no similar rigid structure is usually found and there appear to be greater opportunities for career advancement according to ability, including the integration of specialists and administrators into the management structure. The class structure in the Civil Service also appears to be more closely related to the educational system as it existed before the war and does not appear to have kept pace with significant changes that have taken place since.

7. The Institute welcomes the Treasury Note on the Future Structure of the Civil Service¹ as a move towards greater flexibility needed because of the changing nature and needs of government and the changing supply pattern of future entrants. The Institute would wish to underline the need for greater integration of the specialist classes, both technical and scientific, into the main body of management in the Civil Service.

8. Another aspect of the class structure is that it assumes a similarity of work throughout the class. The system of recruitment and posting of staff by an independent body appears to be removed from managerial responsibility, where better information must surely exist. The lack of freedom of choice of work by both management and staff may be harmful to morale. Although it is appreciated that the Civil Service Commission has a responsibility for ensuring uniformity of standards and unbiased selection, the remoteness of the Commission from the rest of the organisation and particularly from those with responsibility for the personnel function is a situation alien to industry in general.

Staff development and training

9. The adoption and extension of the proposals by the Treasury for a new management structure would call for further education and training plans. Staff

¹ Memorandum No. 1.

drawn from widely differing backgrounds would suggest the need for any training to be correctly timed and geared to individual needs. In order to achieve this a programme of regular staff appraisal would be necessary so that career development can be supported by a continuous staged process of training. It is important that the training schemes should include the use of modern management techniques combined with knowledge of "man management"; it would also be desirable if provision could be made in such schemes for an appreciation of the role that a "public relations" outlook ought to play in management. It might also be an advantage for staff of the Civil Service to participate in joint management courses with industry on a wider scale than in the past. As the Civil Service is becoming increasingly involved with industry such contacts would be of mutual benefit.

10. In addition to the provision of formal training, it will be necessary to ensure that recruits are given work which will "stretch" them in their early years. One way of achieving this may be to encourage specialisation at the beginning of a career, in place of the present system which tends to regard specialists as a race apart, doomed in general to remain so. As the tasks of government become more and more complex, so the need for specialists will increase. If the specialist classes are given the opportunity to integrate with the general management structure, then it will be necessary to provide breadth of experience at the higher levels by planned movement from one department to another. Here, again, interchange with industry may prove of value.

Salary Structures

11. The salary structures in the Civil Service appear unnecessarily numerous. It is difficult to believe that the number of separate departmental scales could not be drastically reduced and much more use made of common salary scales. Any movements in this direction would greatly facilitate the interchange of staff between departments. The length of salary scales, particularly at the lower levels, also seems excessive. The prospect of many years of slow predictable progression must have a considerable demoralising effect, particularly on the junior staff. Some scales could with advantage be reduced in length and consideration given to more flexible use of the incremental points to recognise individual ability and merit.

Promotion

12. To the onlooker the Civil Service appears rather impersonal. The individual seems to be completely subordinated to the organisation. He is appointed and "posted" by some remote authority. There seems to be an atmosphere of time-serving, "waiting for a dead man's shoes!". Although these impressions may not be entirely accurate they do lead to the question of the individual's freedom to seek promotion. Is there sufficient encouragement and opportunity given to staff to apply for posts in other departments or classes? Is there sufficient recognition of individual merit in considering suitability for promotion or is seniority all-important?

Job security

13. A factor possibly restricting the opportunity for promotion is the absolute security of employment which inevitably means that the organisation contains a number of employees who are no longer suitable. These employees either will not move or will find considerable difficulty in obtaining alternative employment without losing pension rights. In order to combat this problem consideration should be given to methods of terminating employment with, if necessary, appropriate compensation. Whether this is possible or not some further modification of the superannuation arrangements to safeguard pensions on leaving the Service would certainly be worthwhile. Although reciprocal arrangements already exist with some other organisations for transfer of pension rights, this kind of arrangement is not nearly sufficiently widespread. The F.S.S.U. scheme to which certain unestablished or temporary staff belong is the kind of scheme which proves less of a barrier to a healthy mobility between organisations. On the other hand, while the established Civil Servants are well catered for in superannuation benefits, the general run of unestablished staff, who may serve for many years, normally obtain little or no pension benefits on retirement. This would appear to be a direct disincentive to this type of employment, which may in future become much more widespread if sufficient manpower is to be obtained.

The personnel management function in the Civil Service

14. Radical changes have been made in recent years in the way Treasury control is exercised over the Civil Service, in the functions and operation of the various divisions of the Treasury concerned with establishment matters and in the work of establishment divisions within departments. Today much of the work is akin to that of personnel management departments within industry and commerce. In some of its personnel practices the Civil Service compares favourably with the more enlightened parts of the private sector.

15. Generally, establishments work is not regarded as a career: it tends to be treated as an assignment (often a secondment) somewhat out of the main stream. The establishment function, therefore, is as a rule carried out by staff who are not specially qualified or experienced and may not even be enthusiastic. If, however, personnel management is to have continuity and to be positive and dynamic, it must be considered as much a specialism as the work of other departments in the organisation. Thus the staff engaged in the personnel function should consist largely of people trained in the work and proved suitable for it.

16. At present the personnel function in the Civil Service appears to be somewhat fragmented. The Pay and Management Divisions of the Treasury, the Civil Service Commission and the Establishment branches in departments all play some part. In the institute's view there is need for a Central Personnel Management Service staffed by specialists with clearly defined functional links with the Departments. This central service should cover all aspects of personnel management including the work at present undertaken by the Civil Service Commission. In industry the most effective personnel management services are at Board level or report to the managing director and it could be argued that the same should apply

in the Civil Service. The restrictive effect which Treasury's financial responsibilities must have on the personnel function might with advantage be removed and a new department created which would be responsible to a separate Minister of State or even directly responsible to the Prime Minister himself.

MEMORANDUM No. 93

submitted by

THE INSTITUTE OF PHYSICS AND THE PHYSICAL SOCIETY

May, 1967

Introduction

1. The Institute of Physics and The Physical Society is the professional body established, in the United Kingdom, to promote the advancement and dissemination of a knowledge of physics, pure and applied, and the elevation of the profession of physicists. Its current membership exceeds 12,500 qualified physicists, including both the professional and the non-professional membership.

2. The Council of the Institute and Society is hopeful that, even at this late stage, the Committee on the Civil Service may be willing to receive the Council's general comments on the need for and position of scientifically trained people generally, and physicists in particular, in the Civil Service.

General Comments

3. Within the last twenty years, there has been an ever-increasing recognition of the impact of the physical sciences on the most practical aspects of our civilisation. In our own country, it is now widely accepted that our prosperity and future prospects are increasingly subject to the competence of our scientists and technologists and that there is now no single activity from which science and technology, in some form, can be excluded. These circumstances require Government to pursue enlightened policies in science education and to assist in creating conditions in which British industry can make full and effective use of science and technology, in an effort to achieve and maintain a leading position in world trade. They require industry not only to employ more scientists and technologists but also to encourage more effective use of those available and particularly of high calibre. The Institute of Physics and The Physical Society recognizes the part it can play in these various activities and it is becoming increasingly involved in constructive efforts with centres of science education, at every level, with industry and with Government.

4. Advances in science, whether at the very frontiers of knowledge, or in direct application to the benefit of humanity, are a most powerful force for change in the world of today. This is true in terms of food supplies, health problems and general social betterment, on both national and international scales. It is also true in the context of issues governing international peace. It is also true in the context of issues governing international peace. It is therefore clear to the Council of the Institute and Society that Government is bound

to have an increasing commitment in meeting the central problems in all of these areas of scientific, administrative and political responsibility, in addition to planning national policy for development in science and technology generally. Indeed Government departments have already acquired vast responsibilities in scientific and technological fields. The consequential need, in Government administration, for at least some policy makers as well as managerial staff to be equipped with a scientific background is already amply evident. The Institute and Society does not claim that all scientists and technologists show burning evidence of concern about these various matters, or that all would be competent to deal with them administratively even if they did. But the Council believes that, among the scientifically-trained intellectual talent in the country, there are more than enough to satisfy any Government requirement for qualified talent to deal not only with enterprises of high scientific and technological content, but also with the scientific and technological considerations intrinsic to many decisions in general policy making. The analytical approach of a scientifically-trained man, to many problems, may be no less important than the detailed expert knowledge that he may be required and able to provide.

5. The Council believes too, that if Government is to succeed in satisfying the requirement for scientifically-trained talent, it is necessary to make the position of scientists in Government both more attractive and more effective. In the Council's view, the basic condition for this is to offer clear possibilities for scientifically-trained people to advance to the highest posts in the Home Civil Service—not exclusively in the Scientific Civil Service. These posts should no longer appear to be the preserve of non-scientists, even where scientific and technological judgments are involved. The Council believes that when "used" at policy-making levels, scientifically-trained people should not be confined to advisory roles to their Administrative counterparts; they should, where possible, be used as responsible officials at such levels acting in their own right, and thus enjoying a greater incentive by achieving greater satisfaction in their work. The resulting elimination of "doubling" administrators and scientists would, incidentally, avoid wastage of skilled manpower in both the Scientific and Administrative Grades. The latter proposition suggests unification of the Scientific and Administrative Grades in a single Service hierarchy, upwards from say the Under Secretary/Chief Scientific Officer level. Additionally, entry into the Administrative class, in the Civil Service, should be broadened to facilitate:

- (a) recruitment of young science graduates;
- (b) recruitment of men of experience in the age group 35-45.

6. The Council of the Institute and Society has not attempted to compare the existing Home Civil Service structure and procedures with those of other countries. Neither has it sought to criticise the existing Civil Service, in the role for which it was created, nor to comment on management and training of the Home Civil Service. The Council is in broad sympathy with the views that have already been expressed by the Royal Society¹ and the Royal Institute of Chemistry² on the latter issues, including recruitment and mobility of scientifically-trained people. The Council is primarily concerned about the structure

¹ Memorandum No. 108.

² Memorandum No. 106.

of the Civil Service for its role in a scientific and technological age. It therefore prefers to confine its comments to those expressed above, and, on behalf of physicists in particular, primarily to register positive support for the following broad propositions:

- (a) that there is an urgent need for the effective integration of scientifically-trained people into the policy-making process in Government;
- (b) that to achieve (a), and to have it seen to be the case, there should be a unified hierarchical structure for Administrators and Scientists alike in the Civil Service, upwards from possibly Under Secretary/Chief Scientific Officer level;
- (c) that in accordance with (a) and (b) the highest posts in the Home Civil Service should be open, and seen to be open, to scientifically-trained people.

MEMORANDUM No. 94

submitted by

THE INSTITUTION OF HEATING AND VENTILATING ENGINEERS

December, 1966

Preamble

1. In submitting this evidence, the Institution of Heating and Ventilating Engineers wishes to make two main points. Firstly, it presents evidence for its recognition, in its own field of engineering services to buildings, at least on a par with certain other professional institutions. Secondly, it desires to emphasise the growing importance of the professional heating and ventilating engineer in the modern world in general and in the modern Civil Service in particular; and hence, to underline the need for greater interchange between the professional heating and ventilating engineers in the Civil Service and those in industry.

Introduction

2. The role of the Government, and therefore the Civil Service, is changing, particularly with regard to the construction industry. The Government is a principal client and, therefore, has a profound effect on the industry's structure and on its vitality. It seems to us, therefore, desirable as much in this industry as any other, to incorporate into top Civil Service creative engineers at a level parallel to that of top administrators.

The Construction Industry—a Growth Industry

3. The construction industry is responsible for some £2,000m. in the Gross National Product tables of the Annual Abstract of Statistics, and although exact figures are uncertain, it seems likely that the annual turnover of the heating and ventilating and air-conditioning industry within this total in providing and controlling environment (sometimes called environmental engineering or building servicing) is some £150-£200m. per annum. There is also evidence that its growth rate is such that it has doubled in the last ten years. We are convinced that this growth rate will continue. Indeed, Lord Robens, speaking of the 1966 HEVAC Exhibition, said: "It is important for people in the business to realise that we are working in the biggest growth industry in Britain".

4. For example, in 1948, there were no buildings in London over 100 ft. in height; traffic noise and noise from the air was less. Subsequent changes bring about a greater need for environmental control within buildings; hence the growth of the environmental control industry is greater even than the growth of the building industry which it services. Not only, therefore, are services getting more and more widespread, but they are at the same time becoming more and

more complex and now include heating, ventilating, air conditioning, sound control, boiler plant, refrigeration, automatic control apparatus (electric, electronic, pneumatic), water treatment and pumping, fire services, dust conveying, industrial drying and all other mechanical services. It is perhaps unfortunate that the I.H.V.E.'s present title, descriptive as no doubt it was in 1897, does not adequately reflect the complication of services for which these engineers are now responsible.

5. The growth of the industry is again reflected in the demand for an increased standard of comfort both at home and at work. The report of the Parker Morris Committee: "Homes for Today and Tomorrow", found that heating was second only to space in the priority requirements of the people and organisations consulted; the Offices, Shops and Railway Premises Act, 1963, stresses the growing need for heating, ventilating and other building services in a modern environment; and the vast expansion in the extent of services for buildings, e.g., air conditioning and the need for integration of all this work with the building itself is shown by the participation of the I.H.V.E. in the Organising Committee of the Joint Building Group.

The Services Engineer in Government and Industry

6. Government nowadays impinges more and more on industry. Not only is more and more legislation necessarily directed to industry as industry takes a greater hand in the life of the country, but through its agencies (Ministry of Technology, Factory Inspectorate, M.P.B.W. Directorate of Research and Information, B.S.I., etc.), Government servants are daily using their influence in industrial matters. Thus the expert professional and technical Civil Servant is increasingly looked to by industry for opinions and advice; and this is nowhere more apparent than in such matters as building where the complication of modern servicing demands expertise in this field in order to make the broad concept practicable. Industrialised building is an example where, although the building components can be mass produced, because of their different configuration and use the Services might well continue to justify individual approach. For example, standard building frames are now being used to produce large buildings for widely differing purposes requiring widely different servicing from one to another and even within each building. In many cases, adherence to a building standard presents new challenges to the ingenuity of engineering designers in the use of space for their services.

7. Of the Industry's present total annual turnover on servicing in the region of £200m., some half arises in the Public Sector, i.e. paid for from Government or quasi-Government funds. For example, annual expenditure on mechanical services in new hospitals is expected to absorb two-thirds of the engineering budget of £30m. per annum; the Chief Mechanical and Electrical Engineer of M.P.B.W. is quoted in *Engineering* of 28th January, 1966, as saying, "M.P.B.W. spends £20m. per annum on new works of heating, ventilating and air conditioning and about the same on minor works and adaptation".

Recruitment

8. Because recruitment falls short of need, much of this work, which should be designed and its installation supervised by engineers within the Civil Service,

is delegated to Consultants. A similar situation obtains in local government, Regional Hospital Boards, etc., all these bodies take their lead in salaries and status from the Civil Service Commission, even if the variants they adopt show greater awareness of the need for expert heating and ventilating knowledge. We return to the question of variants in paragraph 11.

9. Evidence in respect of this short fall in Civil Service recruitment will, no doubt, be forthcoming from other bodies; we have in mind the general situation of the Works Group of Mechanical and Electrical Engineers, but it is submitted that these other bodies are not entirely competent to present all the evidence your Committee should consider when environmental and services engineering is under review.

Training for Engineering Services

10. The Institution of Heating and Ventilating Engineers is the recognised professional body whose members are trained for and examined in professional techniques associated with the services mentioned above; yet corporate members of the I.H.V.E. are not deemed by virtue of that qualification to be acceptable as Civil Servants employed to influence the way in which the large and growing sum of money is spent. This is presumably because the I.H.V.E. is not yet chartered. Yet such Institutions as are, do not cater for this expertise. True, the subject of Environmental Engineering may be offered in Part 2 Syllabus of the examinations of the Council of Engineering Institutions; but while this is an acknowledgement of the growing importance of these techniques as a specialist branch of engineering, the manner in which students offering this subject can be examined in only one paper must be, at best, superficial. There must be better ways than this of implementing the recommendations of the Fielden Committee on Design in this vital and growing branch of engineering.

11. But what is apparent is that, perforce, the Government is trying to use, or to retrain, men qualified in other disciplines to carry out that work for which I.H.V.E. members are trained. The Ministries have found it necessary in many cases to retrain mechanical and electrical engineers inside their organisations in order to cope with environmental or services engineering and this must surely be a wasteful and inefficient course. Regional Hospital Boards find some kind of way round their difficulties by constructing barriers part way up their professional salary scales. These, while preventing the I.H.V.E. member reaching the top appointments, have the practical advantage to the Board of letting him in at a lower level. On the other hand, local government now accepts corporate membership of the I.H.V.E. as equal in salary and status to that of I.Mech.E., I.E.E. and I.C.E.

12. It is evident that shortage of staff aggravated by absence of recognition of the I.H.V.E. qualification, and excess of complicated services work demands the employment by the Government of consulting engineers and of the design facilities available in contracting firms. These *do* employ qualified members of the I.H.V.E. to do the necessary design and supervisory work and do this without Governmental competition for the services of these people.

It is relevant to point out that the qualification, M.I.H.V.E., is recognised by the Association of Consulting Engineers as the proper qualification for engineering services consultants making application for membership of that body.

Recognition of I.H.V.E. by the Government

13. It is, at this point, perhaps pertinent to draw your Committee's attention to some of the ways in which the I.H.V.E. is recognised in Government, albeit not entirely in the way such recognition ought to be made.

The Fielden Committee on design recommended in 1963 that professional institutions should set about publishing technical data; in point of fact, the I.H.V.E. published the first issue of its own Data Book in 1940, revising it in 1955 and in 1959. M.P.B.W. alone has bought 1,500 copies of the latest 1965 issue for distribution to its design staff. This same Data Book is referred to in Acts of Parliament such as the Thermal Insulation Act. Assistance has been given in many similar instances, for example, in connection with the Clean Air Act, the Memorandum on Chimney Heights and the revision of Building Regulations.

The I.H.V.E. is also constantly called upon by organisations such as the British Standards Institution to provide expert evidence to its committees.

The Need for Interchange between Government and Industry

14. The present and foreseeable close links between Government and industry means that the Government expert must be able to deal on equal terms with his counterparts and this highlights the need for industrial experience by the Government-employed professional expert.

At the moment, he comes into Government Service having necessarily qualified in industry. This inability to embark early enough in a Government career to earn parity of pension rights with his colleagues from the Arts is a source of frustration to all professional men; and will, no doubt, be a major point of evidence by others. Here we would say no more than that we fully support the plea that this need for industrial experience, of such inestimable value to the Government, should not be satisfied at the expense of the professional man as it now is. But valuable though this early experience is, it is not enough in a world where technology is moving as fast as it is. The great need is for further interchange later in the individual's experience—interchange at present possible outwards only by loss of pension rights and inwards only under terms so unfavourable that few indeed enter. In no field is this later interchange more necessary than in building servicing where the Government in respect to its own estate is operating in exactly the same field as are commercial developers with the added responsibility for maintenance of its development—a responsibility often abrogated by the private developer by subsequent sale or rental on full repairing lease.

Submission by the Institution

15. It is hoped that this evidence will assist you to recognise corporate membership of the I.H.V.E. as equal in salary and status to corporate membership of the I.Mech.E. and of the I.E.E. whose standing at present seems to be higher in the eyes of those responsible for Civil Service recruitment although the entry

and final qualifications of these bodies are only marginally different and in the context of engineering services not as good. It is a fact that neither an engineering degree nor the examinations of the I.Mech.E. or I.E.E. are accepted by the I.H.V.E. as exemption from its own Associate Membership Examinations. This is not to say that the I.H.V.E. is not closely allied to these other engineering institutions but does indicate that the Institution caters for a separate and distinct discipline, viz., Engineering Services, which is not covered by either of these other bodies in sufficient depth to meet I.H.V.E. requirements. In effect, Membership of the I.H.V.E. is the authoritative expression that such engineers are educated and skilled in services for buildings.

In fact, 39.8% of the I.H.V.E. corporate membership hold degrees and/or qualifications acceptable to the Council of Engineering Institutions. The I.H.V.E., though not at present a Constituent Member of the Council of Engineering Institutions, is of its own volition revising its present standards in line with the proposals of C.E.I. and intends, like the Constituent Members of C.E.I., to raise the standard of examinations for corporate membership to a level equivalent to degree standard. It anticipates that these standards will be in force by the time C.E.I. have their own standards in operation—probably before.

MEMORANDUM No. 95

submitted by

INTERNATIONAL COMPUTERS AND TABULATORS LIMITED

October, 1967

Summary

1. I.C.T. wish to give evidence principally as a "customer", that is an organisation which has dealings with the Civil Service.

2. Currently there is developing an era of positive Government in which the Administration intervenes increasingly in the private sector.

3. In order to intervene effectively, Government requires correctly analysed information rapidly and accurately presented. To achieve this aim, Government must utilise computers.

4. Knowledge of the computer is the key to the new learning as a classical education was the key to the old. Civil Servants, therefore, need to understand the applications of computers to their affairs.

5. There is a popular feeling that more Civil Servants should come from a scientific background. This feeling is based on questionable beliefs.

6. The principal areas of relationship between the computer industry and Government are:

- (a) Research and Development—generally successful except in the administration thereof.
- (b) Supplier and Customer—improving but greater co-operation on drawing up the operation requirement needed.
- (c) Industry and Sponsoring Ministry—a dynamic relationship and the one possessing the greatest need for improvement together with greatest inherent benefit to all concerned.

7. Civil Service recruitment should not aim at increasing the number of Science Graduates into the Administrative Class or equivalent. However, all recruits should have broad scientific education and sound knowledge of computers and management techniques.

8. Current social attitudes indicate the need to unify the Administrative and Executive Classes and to legislate for the entry to the unified Class by members of specialist Classes.

9. The training of the Civil Servant should be continuous throughout his career and should follow the following pattern:

- (a) recruitment by educational standard and aptitude test to a unified Class;
- (b) short initial training course;
- (c) six month attachment to execute actual policy;
- (d) attendance at Business School with industrial and commercial executives between the ages of 28-35;
- (e) yearly appreciation courses on general subjects;
- (f) the establishment of a civilian version of the Imperial Defence College should be considered. It would draw its students from the Civil Service, Industry, the Nationalised Industries, Local Government and the Universities. Students should be those who are shortly to become Permanent Secretaries, Managing Directors, Town Clerks, etc.

International Computers and Tabulators Limited wish to give evidence to the Fulton Committee on the Civil Service principally as a "customer", that is as an organisation or body which has dealings with the Civil Service.

Modern Government

2. The computer and its ancillary equipment is popularly accepted as an instrument of change. However, one very radical change in the pattern of our national existence has occurred that is not due to the computer, although its ultimately successful implementation will depend on the computer; that is the development of an era of positive Government where the Administration intervenes in the private sector to an ever growing extent.

3. This has come about, perhaps, because Government is the largest single spender of our national income as well as its general controller and therefore sees a two-fold reason for inaugurating a system of economic checks and controls as a matter of national policy. Such long and short term financial controls need to be based upon accurate information speedily assembled. So do decisions taken on matters of education, the location of industry, urban development and the development of a sound system of communications amongst others.

4. So far, the economic policies of successive Governments have not been fully successful whilst the questions of education, town-planning and communications are all ones that arouse a good deal of emotion and disagreement. It might be fair to say that currently we have, more or less, determined the parameters of those subjects and have a good idea of the information required to deal with them but that Government does not have the means whereby that information can be speedily gathered in and processed effectively. To do this Government must utilise computers extensively and must fully understand their effective application.

Education of the Governors

5. It is believed in some quarters that if more members of the Administrative Class of the Civil Service had received a "scientific" rather than a classical education we could have a more efficient administrative machine. However, the phrase "scientific education" covers such a wide field of subjects, none of them so far directly applicable to the actual act of administration itself, that it is very questionable whether the belief is valid. We have probably suffered more from a lack of scientifically educated Ministers who, through greater understanding, could have inspired the nation with some sorely needed technological enthusiasm.

However, the computer represents a scientific advance of a special nature. It vitally affects the act of administration and an understanding of it is not just necessary for the administrators, but vital. Computers as a subject for study are as significant as the classics once were. Indeed when a formal classical education first started it was regarded as the language of revolution or, less alarmingly, as the key to the new learning.

6. It is a basic part of our submission that the computer in the present day is also the key to the new learning and that it will provide the means of evolution rather than of revolution.

Industry and Government

7. The principal relationships between the computer industry and Government are established in three areas, that of research and development, that of supplier and customer and that of industry and sponsoring Ministry.

8. The relationship in the area of research and development is probably the most satisfactory as far as the computer industry is concerned. This is largely because it is carried out at working level on the Government side by members of the Scientific Civil Service who are closely allied in training and temperament to their opposite numbers in industry. The relationship is least happy when it involves those non-scientific members of the Executive and Administrative Classes who normally execute and administer Government policy on research and development.

9. The relationship in the area of supplier and customer is steadily improving as Government becomes a more competent purchaser and feels increasingly able to rely upon the computer industry to deliver reliable goods on time. There is a need, however, for those Civil Servants responsible for Government computer policy to advise industry well in advance of their operational requirements. In this way considerable savings could be made in scarce technological and human resources.

10. The relationship between the computer industry and its sponsoring Ministry, the Ministry of Technology, is a dynamic one. Alongside the functional contacts already mentioned, there is a relationship between each major industry and a Government Department (or Departments) in which issues of common interest are handled by discussion, correspondence and formal or informal contact. It is this relationship which is conveniently covered by the term

"sponsorship". In general, sponsorship provides an arrangement whereby a Government Department both takes account of the needs and practical problems of industry in the formulation and administration of policy and interprets Government policy to industry; and whereby the industry is given a point of entry to the Government machine. In order to allow this to happen with the maximum benefit to both parties, industry must have a clear concept of the workings of Government and Government must have an equally clear notion of the problems of the industry.

11. In the past there has been a tendency for some members of the Administrative Class of the Civil Service to keep themselves aloof as a Class and to appear to be rather beyond the rough and tumble of daily industrial activity. In their contacts with industry they saw their duty primarily as restraining the businessman from making undue profit from his association with Government. The businessman on his part regarded the Civil Servant as an amateur to whom it would be a waste of time to appeal for professional help or advice. As a consequence of these mutually exclusive attitudes, two powerful elements of the nation were often pulling in opposition rather than in concert.

12. It is vital today, that industry and the Civil Service work in concert and the suggestions that follow embody some ideas as to how this could be brought about.

Civil Service recruitment

13. The Administrative Class of the Civil Service still attracts a far greater preponderance of Arts Graduates than Science or Technological Graduates. Between 1948 and 1963, of all the successful candidates recruited under Method I, 406 were non-scientists as opposed to 58 scientists. Under Method II the numbers were 395 to 59. As over half the Honours Graduates from all the Universities between 1962-64 were scientists, the recruiting pool for the Administrative Class is obviously limited. This is normally wondered at and deplored but an objective appraisal will show that it is neither regrettable nor surprising. A scientific education today demands increasing specialisation, starting normally at sixteen or so. Those few Science Graduates who still do take a broad degree are normally forced to specialise in their post-graduate studies. They are thus initially fitted for fairly intensive activity in a narrow field of operations. This is the antithesis of the duties of the Administrative Class Civil Servant. Consequently the Civil Service would not benefit fully from the Science Graduate whilst much of his education would initially be wasted in the broad pastures of the Administrative and Executive Classes.

14. What should be required by the Civil Service Commissioners of their applicants to both the Administrative and Executive Classes, the latter now attracts an increasing number of ordinary graduates, is that their education should have included a broad grounding in scientific principles and a sound knowledge of how to apply computers and other "scientific" forms of management to the very varied problems that will face them. Until these requirements of the Civil Service Commissioners have brought about the necessary changes in the national educational system, however, its deficiencies will have to be made up by intensive management training within the Civil Service.

15. Obviously the Scientific Civil Service will have to continue to compete with industry and the Universities for the recruitment of the best Scientific Graduates but provision must be made from the start for such graduates if they are suitable, to be trained for and transferred to what are currently Administrative and Executive Class appointments at the end of their active scientific life which may well be between thirty-five and forty.

Structure of the Civil Service

16. The computer industry deals primarily with the Administrative Class, the Executive Class and the Scientific Civil Servant. This division into clearly defined Classes and Grades does not appear a very happy one from the outside. The Administrative Class, like all elites, both benefits and suffers from its separateness. Against the background of today's Society it would appear that, overall, it loses more than it gains, especially as the differences between the responsibilities of the two classes are often hard to identify.

17. It is felt that the Civil Service as a whole would benefit from the merging of the two classes and from the development of a system of entry to the unified Class whereby education and tests of ability would decide the starting grade and where performance and ability would determine promotion.

18. The Scientific Civil Servant usually makes his most valuable contribution to the advancement of Government science within the first ten to fifteen years of his service. Unless he is exceptional, the value of his scientific contribution will then decline quite sharply. It is at this point that he should be given the opportunity to train for and join the unified, general Class of the Civil Service, a place where he could still use his trained mind to good purpose.

Training of the Civil Servant

19. Currently the training of the Civil Servant appears to be heavily concentrated at the outset of his career, with a few refresher courses for the more fortunate at odd intervals throughout their service. With the increasing pace of change, both general and technological, this is not a satisfactory method. We must all accept that, in the future, education is going to be a constantly recurring factor in our lives if we are to match demand with performance. Taking the concept of a one class, unified Civil Service, except for specialised grades, it is suggested that the training pattern might be along the following lines:

- (1) On recruitment: educational evaluation together with aptitude tests establishes point of entry into the system.
- (2) Immediately after recruitment: attendance at one of two or three courses, according to grade, in the workings of Government together with some instruction in the ways of industry and commerce. A two-week appreciation course in the application of computers should end the preliminary training period. Course about six weeks in duration in all.

- (3) Post-course: six-month attachment to an establishment where Government policy is actively executed. The student should have one month's instruction in the duties of a post, then carry out the duties for four months, then have a month handing over the duties and learning of his errors. This contact with the active execution of policy would be of great value to all Civil Servants and would be easier to arrange with a unified class.
- (4) Mid-Career Training: between 28 and 35, Civil Servants who qualify on performance should attend a Business School along with industrial and commercial executives where they will form mixed syndicates to solve problems jointly, these to be of both a Governmental and industrial nature.
- (5) Consideration should be given to the setting-up of a civilian version of the Imperial Defence College which would have the responsibility for the integrated instruction of senior personnel from the Civil Service, Nationalised and Private Industry, Local Authorities and the Universities. The students should be drawn from those who within a year or two, will be appointed to posts as Permanent Secretaries, Managing Directors, Town Clerks, and Chairs of Business Studies, Economics, Politics and Sociology. Attendance at such a course would ensure a greater measure of understanding and co-operation at the top.

20. The normal career advancement of the Civil Servant should be closely bound in with his successful adherence to this pattern of continuous, professional education.

21. If this training pattern were followed, the Civil Servant would have a continuously up-dated knowledge of and ability to administer the latest managerial techniques together with a sound knowledge of contemporary developments in commerce and industry. Such knowledge and professionalism would win the respect of all who had contact with the Civil Service and Commerce, Industry and the Civil Service could all work in concert for the national good with a consequent considerable increase in national productivity.

MEMORANDUM No. 96

submitted by

THE INTERNATIONAL PUBLISHING CORPORATION

December, 1966

The International Publishing Corporation controls the *Daily Mirror*, the *Sunday Mirror*, the *Sun*, *The People*, newspapers in Scotland and overseas, trade and technical publications in the United Kingdom and overseas, and has interests in television and newsprint.

The memorandum discusses the following aspects:

1. The public image of the Civil Service.
2. The Civil Service, politics and the citizen.
3. The fetish of secrecy.
4. The standard of Civil Service administration.
5. Dependable mediocrity or unorthodox genius?
6. Civil Service nomenclature.
7. Recruitment.
8. Civil Service Training Schemes.
9. Transferability.

1. The public image of the Civil Service

If the Civil Service is to recruit the intelligent people it requires and if it is to have a co-operative relationship with industry, it must take further steps to improve its public image. It is not a good one.

2. The general public is woefully ignorant of the work and responsibility of the Civil Service. They see Civil Servants as pen-pushers who try to strangle the rest of the public in their own red tape. They do not distinguish the mandarins of the administrative class from the humble clerical grades. They never meet a senior Civil Servant professionally or socially unless they live in upper middle-class circles. It is doubtful whether even C. P. Snow's novels are sufficiently explicit to the complete outsider.

3. The Civil Service suffers from persistent caricature: the higher officials are distinguished by their striped pants; the lower ones by their addiction to tea. It is imprudent for the profession to continue to regard the caricature with disdain or mild amusement.

4. More seriously, at a quasi-intellectual level of criticism, they are identified with an inept, soulless, hereditary Establishment, at once servile and tyrannous. Until fairly recently it may have been a valid criticism of the Establishment to say that it was self-perpetuating, recruiting from a narrow class and not always from the most able. Since then the gates have been opened, and the paradox is that the critics who could change the Establishment by their presence are often reluctant to walk through the gates.

5. Hostility towards responsible public service seems to be strongest in the Red Brick universities, particularly those furthest from London. For many young men and women, the Civil Service is remote, mysterious and unattractive. The fact that it has power, within the limits it sets itself, to influence politicians to change society is not recognised.

2. The Civil Service, politics, and the citizen

6. In recent years, the Civil Service has been further damaged by the political battle. It is regarded by those people on the Right, who dislike positive government, as the chief arm of an executive which restricts our liberties. On the Left, it is seen as a conservative bureaucracy frustrating change and sabotaging radical Ministers. In fact Ministers themselves, when closeted with the faithful, may excuse their own inaction by blaming Civil Servants who have merely pointed out that a particular ideological solution is unrealistic.

7. To the general public, the ethos of the Civil Service, its scrupulousness in political relations and its dedication are unknown.

8. It must also be said that while many people in business suspect that the Civil Service has no conception of or sympathy with their problems, they in turn have little idea of public policy or how it is departmentally administered. This does not of course apply to large concerns with a modern and educated management.

9. The contacts between ordinary citizens and the Civil Service are largely with the lower grades and they may meet an uncivil servant particularly at a provincial branch. Is there any training in public relations? At the same time, it must be said that the *Daily Mirror's* advisory bureau (which acts as an Ombudsman between the public and certain Ministries) has been in constant contact with the Ministries over pensions and national assistance: the bureau has a golden opinion of their efficiency and humanity. An improvement has been noted in the clarity of letters and the forms people have to fill. This encomium stops short, however, at the Department of Inland Revenue.

10. There appears to be still a lingering cult of shabbiness, even of squalor, in some government offices. It may be an exercise in public relations, an attempt to show how frugal Civil Servants are in the use of public money available for their own comfort. But it also conveys an impression of inefficiency and despair, as though the Service despised itself, as though Britain was a run-down nation.

3. The fetish of secrecy

11. Need the Civil Service be a mystery? Even to the informed world, Civil Servants appear to live as a community set apart from the rest of the nation and engaged in perpetual meetings with one another. There may be merit in the administrative class being something of a priesthood. But it should not be an enclosed order.

12. Many Civil Servants in the higher ranks appear to be overpowered by their sense of secrecy: it is a fetish with them. Yet surely it is unnecessary. For other Civil Servants of equal or greater eminence feel free to speak, often with brutal and useful candour.

13. The insular habits of Civil Servants do seem to remove them from the main stream of life. At the moment the Civil Service is grossly overworked as the result of heavy legislation and consequent administrative chores. Nevertheless, it is important that the middle grades of the administrative class should spend at least some months in industry, preferably outside London. They should really try to understand the problems business people have to contend with.

4. The standard of Civil Service administration

14. Is the quality of administration in Whitehall anything like so high as the Civil Servants believe? They have no standards of comparison. If they mingled more with the rest of the human race, they might find their standards are not so high as they would wish.

15. One of the disadvantages of the sheltered though highly responsible life of a senior Civil Servant is that it creates no sense of monetary values. In public corporations there is an emphasis on the saving of candle ends while public money—an abstraction—is used on a scale of lavishness which would never be tolerated in a successful business. Public money is so much more easily come by than profits which businesses have to strive for and account for to their shareholders.

5. Dependable mediocrity or unorthodox genius?

16. The question of promotion in the Civil Service needs reform. The impression that people outside the Civil Service have—by which one means leading industrialists and other intelligent observers—is that it is easier for the dependable mediocrity than the unorthodox genius or the man with a flair to gain promotion. Stolidity, the capacity to avoid error, are the desired virtues.

17. How many Civil Servants with a personality as lively as that of P. J. Grigg have emerged in recent years in the upper spheres? Where are the Morants of our day? Or the Warren Fishers? Would a recruit who displayed the powerful characteristics of such men be acceptable today?

6. Civil Service nomenclature

18. One of the changes that might be made in the interests of logic and clarity, and particularly of recruitment, is the nomenclature of the various ranks. Terms such as Permanent Under Secretary, Assistant Secretary and Principal

are quaintly baffling to the outside world. They convey no idea of the responsibilities or of the hierarchical order. These ancient, honourable but mysterious titles do not give the potential recruit any idea of the career structure which beckons him to the Civil Service.

19. A considerable step forward would be achieved if accepted business terms were used; if the Permanent Under Secretary were to be named Managing Director; the Deputy Under Secretary, Deputy Managing Director; the Assistant Under Secretary, a director; the Assistant Secretary, Senior Manager; the Principal, Middle Manager; the Assistant, Junior or Trainee Manager.

20. The executive grades of staff are equally baffling. How is the outside world to know that a Senior Executive Officer is senior to and higher than a Higher Executive Officer? Or even that a Senior Chief Executive Officer is inferior to a Principal Executive Officer? These titles seem to be designed not to explain but to obscure the order of rank and responsibility. A Senior Executive Officer sounds to the uninitiated more important than a Deputy Under Secretary, although he enjoys or suffers from only half his salary.

21. Who outside the Civil Service would guess that an Assistant Secretary may have two Principals, a Chief Executive Officer, several Senior Executive Officers and a Higher Executive Officer all working under his command?

22. Another curiosity is that Assistant Secretaries, Principals, and Assistant Principals may serve Ministers and Permanent Secretaries with the title of Private Secretary. In industry, these would be called Personal Assistants. But this is the title given to women who work as Private Secretaries.

7. Recruitment

23. We come to the question of recruitment. It is of course politically and socially essential that this section of the Establishment, as indeed all others, should be drawn from as wide a social class as possible. A good deal of progress has been made, and we welcome the recruiting reforms of the Civil Service Commissioners: their display advertising describes the work, responsibilities and opportunities of the senior Civil Servants in a more modern style; it must be urgently recognised that they are competing for recruits in a talent market in which Britain's most efficient commercial enterprises are also beckoning.

24. It would be interesting to examine the candidates who have the academic qualifications but are found to be unsuitable. We, in business, are in competition for the same talent. Is their unsuitability due to personal defects or to a failure on the part of some schools and universities to develop social skills, an awareness of what is going on in the world, and an appetite for responsibility? Or could it be that the Civil Service and some businesses are looking for stereotyped characters which fit the pattern of the past but not necessarily that of the future?

25. It is said that the first Common Market negotiations were a dialogue between the best Civil Servants in the world: the French and the British. Have we anything to learn from the French system of education and training?

8. Civil Service Training Schemes

26. The British Civil Service recruits its administrative class among people who have taken good first degrees at a University. It presumably looks for educated young people capable of being made into good Civil Servants. But is this training within the Service adequate?

27. British education between O level and degree is very narrowly specialised. As long as one was recruiting from traditional channels, as long as administration ran on well charted courses, it was possible to assume a good deal of general knowledge of public affairs in the likely recruit. This assumption cannot be made today.

28. Is the new graduate with his narrow honours degree ripe for recruitment? Should he not first go through a rigorous post-graduate course in public affairs, administration and management? The present system of sending him to the Centre of Administrative Studies during training for a total of something like 20 weeks seems to be an economical but inadequate improvisation.

29. The general criticism made of the Civil Service is that it has not yet adequately equipped its higher administrations with modern management techniques. Other bodies have made the point in some detail, so it is not necessary to labour it. It is sufficient to give such proposals our enthusiastic support.

30. The best-run commercial enterprises in Britain now place great reliance upon professionally organised training schemes for middle (even top) management. Is the Civil Service abreast of these developments?

9. Transferability

31. Another view, strongly held, is that its top administrators should have a deep knowledge of the content of what they are administering. There are some individuals—Dr. Beeching is an example—who can rapidly absorb the facts. But can we assume any longer that a "good administrator" can administer anything and everything?

32. Should it be assumed that a senior Civil Servant is theoretically transferable to any branch of the Home Civil Service? Are the qualities required in administration at the Home Office the same as those required in the Board of Trade? Should there be at least two branches of the Home Civil Service, one dealing with economic affairs and one with social and political affairs?

33. It is this feeling which has created the demand that professional recruits including technologists should have a fair chance of achieving the higher administrative positions. The difficulties are obvious: they occur in business too. The first-class technical man may not have the breadth of mind, the capacity to generalise and the general knowledge required on the Board of Directors. The proposal to give him this kind of training fairly late in his career does not seem to be wise. It should be done much earlier in his career while his mind is still flexible. Of course it is always possible to find the odd expert with a natural

talent for wider responsibilities. But if it is desired to promote a number of professional experts they must receive training early in their careers.

Summary

1. The public image of the Civil Service is not a good one. Most people are ignorant of the work it does and of its high responsibility. It is important to improve the image if the Civil Service is to recruit the best talent and have a good relationship with industry.

2. The Civil Service suffers damage in the political battle. It is disliked by the Right because it is regarded as the arm of an intervening Government; on the Left because it is seen as a conservative bureaucracy frustrating radical change.

3. The Civil Service seems to live a life apart from the community and to encourage its members to practise great secrecy. This emphasis on secrecy seems to be unnecessary for some eminent Civil Servants do not hesitate to speak candidly about what is going on when they think candour can be useful.

4. The Civil Service prides itself on its standards of administration. But if its members saw more of the outside world it might find that it has something more to learn even about administration.

5. Intelligent observers feel that it is easier in the Civil Service for the dependable mediocrity than for the man with flair to gain promotion.

6. Civil Service titles make no sense to people outside the service and conceal rather than describe the order of responsibility. The nomenclature should be radically changed.

7. Further progress should be made in recruiting from a wider social class. The question is raised whether people with the right academic qualities who are then found to be unsuitable really are unsuitable, or merely fail to conform to a stereotype that may be out of date.

8. Training within the Civil Service may no longer be adequate. As British education is narrowly specialised, it might be desirable to have a rigorous post-graduate school of public affairs, administration and management.

9. The assumption that a good administrator can administer anything is challenged. The complexities of today may demand a deeper knowledge of the subject that is being administered. There may need to be a limit to the transferability even of the highest talent.

MEMORANDUM No. 97

submitted by

THE LABOUR PARTY

December, 1966

A. INTRODUCTION

1. The last three years have seen a growing volume of discussion, much of it critical, of the Service and its ability to cope with the problems of modern Government which are widely held to be different both in kind and in complexity from the problems it has faced in the past. The Service itself has also become worried by the increasing difficulties of recruitment that have been encountered, and particularly the estimated 10% shortfall of Principals (the main grade in the Administrative Class) and a more general shortfall throughout the Executive Class.

2. This criticism is not surprising, nor does it detract from the fine reputation the Civil Service has earned for itself over the years. All organisations need to be examined and recast periodically and the Civil Service has existed in this Country in recognisably its present form for over a century.

3. The present class structure of the Service has existed since about 1920 and was given the blessing of the Tomlin Royal Commission in 1931. This was the last full-scale enquiry into the Civil Service. It would be surprising indeed if the passage of thirty-five years had not made a number of reforms necessary and overdue.

4. Many current proposals are not new. Writing as long ago as 1942,¹ Harold Laski made 20 suggestions for Civil Service reform. Some have a remarkably modern ring about them: notably, the separation of the financial and establishment functions of the Treasury, the revision of methods of training and the establishment of a Staff College for the Administrative Class and the withdrawal of the barrier between the administrative side of the Service and the scientific and technical sides. It was not until very recently that any substantial progress was made in these directions.

5. Laski quotes with approval a letter from an ex-pupil in the Civil Service who concluded that historically the Civil Service has: "... evolved a routine of laboured, orderly and unhurried disposal .. affairs now demand from it a constant, exact and just intervention... The tradition and system are just not designed for this... (it) has, over the years, absorbed a high proportion of the country's most intelligent, able and conscientious individuals and shaped them to its structure..." It is probably fair to say that this could have been written by someone who had entered the Service much more recently.

¹ In J. P. W. Mallalieu's "Passed to You Please".

6. Experience drawn from the war years is relevant now for two reasons. The war years saw the beginning of the scientific revolution through which we are now living; saw the passing of the Education Act which began an educational revolution, the effects of which are still being felt, not least by the Civil Service; and created the climate of opinion which led to the social revolution brought about by the legislation of the last Labour Government. The feeling that the Civil Service has not fully come to terms with these revolutionary changes is a prime cause of much of the present discontent.

7. The revival of the idea of central planning of the economy after its demise in the 50's and the expansion of the area of direct concern to Government is the other common factor between the two periods. It is this expansion of Government; this "penetration of the State into the affairs of industry, commerce and the individual citizens" as one introduction to a Treasury course in 1961 put it, that has challenged the traditional concept of the Civil Service. It is felt that a Government which is going to take initiatives, which is going to manage the economy and run the social services needs a more dynamic Civil Service.

In fine, that the kind of job the country is expecting the Government to do is changing very rapidly, but that the Civil Service is not adapting itself quickly enough to perform its new tasks as efficiently as it might.

8. This evidence has been drafted in the Party's Research Department in consultation with a number of people in the Party and our Fabian colleagues, representing a very wide and varied experience of the Civil Service.

9. The National Executive Committee of the Labour Party feels there is no necessity to cover in detail ground that has already been adequately worked over by a number of writers and groups of writers in the last three or four years.

We agree with much of what has been written and believe that from it has emerged a great deal of common ground on what is wrong and what reforms need to be made. To an extent we are merely putting the weight of the Labour Party behind familiar proposals; we shall argue in detail only when we feel that the argument needs to be expanded in order to support the proposals we make.

B. GENERAL

10. We believe that by and large British Civil Servants are conscientious, able, often of formidable intellect and genuinely politically disinterested.

These are valuable qualities and we would wish to retain them. But we believe they are no longer sufficient in themselves to provide the Civil Service that we need.

11. "Government" is no longer a refined and restricted field of activity distinct from any other. The Civil Service is now in the business of managing a highly complex techno-industrial society and this is quite a different job requiring different and more technical skills and an entirely different and more positive approach.

Integration

12. The Service must be integrated both internally and externally.

13. Internally it must be recognised that the day of the "generalist" is over. In the first place the "generalist" is himself a specialist: "...an administrative technician well-versed in the affairs of a particular department..." as Professor Chapman would have it.

This specialist task—the running of the Minister's private office, the preparation of legislation and its guidance through Parliament and the "protective and representative" functions in relation to the Minister—is, of course, a vital one. But it induces a foreshortened view of the world. The aim of the Civil Servant becomes "the speedy despatch of public business" to the exclusion of the pursuance of creative policies.

To do this the administrator must identify problems and explore them in some depth. He will need to work closely with the specialists—economists, architects, scientists—whatever they might be and we believe they will work in better harmony if they work with each other on equal terms.

14. At the moment it seems that the day-to-day work, because it involves closer contact with the Minister, carries higher status within the department and that Civil Servants are discouraged from specialising through fears that this will jeopardise their chances of promotion to the highest posts. Contrary to the prevailing belief in industry and elsewhere it is held that the acquisition of a high level of skill in a particular specialism is incompatible with obtaining the kind of experience that is necessary in a top administrator. (See also section C.)

15. The encouragement of a degree of specialisation would also make it easier for Civil Servants to co-operate with outsiders, e.g. in the universities. For the best use to be made of outside help, the administrator must have a general idea of what is being done; have some means of knowing who is worth consulting and who is not, and the ability to evaluate and process the advice he receives. Although we think there is a greater willingness to make use of independent research at present, we fear that without a measure of internal specialisation on the part of administrators it may not be used to the maximum effect.

16. These developments to lessen the comparative isolation of administrative Civil Servants will also make movement inward and outward of the service, on both a long and short term basis, much easier. We favour such mobility. (See also section E.)

We think it also desirable that mobility within the public service should be improved. The present division between the Home Civil Service and the Diplomatic Service inhibits exchanges between, for instance, the Foreign Office and the Economic Departments. We believe that the distinction is to a large extent an artificial one. It caused unnecessary confusion in 1965 when the Colonial Office moved from one sector to the other and, as a result, lost the services of good and experienced officers simply because at that stage of their careers they were not prepared to take the risk of being posted overseas.

Secrecy**17. Two final general points.**

We feel that the Civil Service is excessively secretive. To some extent the problem lies outside the ambit of this Committee. At times it almost seems that the whole structure of British Government is designed to protect the policy making functions of Government from public scrutiny. Even the legislature is restricted in its functions and inhibited from any really thorough examination by a lack of information, particularly at the point when policy is at its crucial formative stage.

18. The keeping of information from the public is only a small part of this, though an important one. A directive as wide as that said to have emanated from Lord Normanbrook when he was Head of the Civil Service—that any information not officially made public counts as an official secret—seems, however, to go much wider than is strictly necessary.

19. Much more difficult to justify, however, is the amount of information which, in some departments at least, is kept from the Minister. Of course it is possible for the Minister to find out what is going on in his department if he asks the right questions and asks to see the right files. But an enormous amount of work goes on in a department which the Minister knows nothing of—some of it research work which produces important results which are never shown to the Minister (with the result that he may in good faith reply to a Parliamentary Question that the information is not available when in fact it is available but not to him); some of it planning work which may be deliberately concealed from him, either because it might lead him to support policies which the department does not (or does not yet) approve of, or even because it is being done in preparation for a future Government of a different political colour. It is this secrecy that makes some Ministers tools of their departments a good deal of the time. It is impossible for a Minister to have an adequate grasp of an issue if he plays no part in the long process of discussion which precedes the formation of policy but merely gets a bowdlerised version of it from his Permanent Secretary when the final choice has to be made between the policies which the department finds acceptable.

20. Inter-departmental committees of officials are a particularly effective way of undermining the authority of Ministers. The Minister may not be consulted until the officials have arrived at an agreed compromise; and if he then wants to disagree, he can only do so at the cost of telling the officials to go back and put forward a different view from the one they have been arguing for against the other departments.

21. On the other hand once a Minister is settled in and briefed we do not doubt that if he is a strong man and has a clear idea of what he wants done and can convince his Civil Servants that it is both possible and desirable, they will loyally help him to do it.

22. The problem essentially is that as the business of Government has extended outwards and departments have swollen the Minister has become

stretched. We think there is a need to strengthen the Minister; the "temporary politician", in his department in relation to the "permanent politicians", his Civil Servants.

We make proposals to effect this in Section E.

23. A final point relating to the general theme of this section is the tendency for methods of work in the Civil Service to be impersonal, especially at the policy-making level. It has been put to us that: "I would also like to see more said about the impersonal methods of work in the Civil Service, especially at the policy-making level. Policy is made by people, but the Civil Service seems to operate on the assumption that it is made by the interminable circulation of papers for which ultimately nobody is responsible. The amount of time that is wasted in reading endless drafts and redrafts, often of papers to which the particular official has little or nothing to contribute, must be fantastic. Meetings of officials tend to be much too large, because everybody with the remotest 'interest' in the subject under discussion has to be invited. The one person who is not invited is the Minister..."

Many of the points touched on in this section are developed in the four sections which follow and detailed recommendations are made to bring about the changes we should like to see. The recommendations are then drawn together in a final section.

At this stage we make only two general propositions which underlie all of the subsequent discussion.

We propose that:

- (1) Steps should be taken to develop a more forceful concept of public service, and a Civil Servant who is more professional, adaptive and creative. There must be more personal involvement in the execution of policy or negotiation on the public's behalf with private interests.
- (2) The Civil Servant should be better integrated both with his colleagues performing different functions in his department and with people working in fields related to his outside.

C. STRUCTURE

24. There are three reasons for advocating changes in the existing structure of the Service: to increase its efficiency, to lift the morale of people working at present in the less exalted classes of the Service; and to improve the numbers and quality of the people offering themselves for recruitment into the Service.

We think that discussions so far—notably in the Treasury memorandum "The Future Structure of the Civil Service"¹—has concentrated too much on the third reason. This narrowness of view has had the effect of limiting the scope of the proposals made in that document.

25. Recruitment difficulties in the Administrative Class stem largely from the traditionally exalted standards professed by the Civil Service. As Sir Laurence

¹ Memorandum No. 1.

Helsby put it in evidence to Sub-Committee E of the Estimates Committee last year:

"...the qualities which make a potential member of the Administrative Class are very scarce... are very rare..." (Question 816.)

We would adopt the comment of the Sub-Committee:

"Your committee finds it hard to accept that the task of Government justifies the unique importance attaching to the Administrative Class, and that only a select few are fitted to undertake this work. Policy questions analogous to those arising in government have to be considered by everyone at senior levels in a wide range of large organisations today..." (*Estimates Committee, Sixth Report, 1964/5, para. 37.*)

26. The Estimates Committee also questioned the assertion that members of the Executive Class and the Specialist Classes were not worried about the prospects of promotion to the Administrative Class or to senior administrative jobs. They noted the high wastage rates from the Executive Class and the failure of the service to make any serious efforts to discover the reason for it and added:

"...(We) would also question the assumption that all a specialist ever wants to do is to work within his specialised subject. In this connection your committee noted the evidence of Mr. Nind of Shell Petroleum, that amongst specialist technical staff... 'there are relatively few who want promotion in their own rather narrow function... a geologist might want to become the chief geologist of the group... on the other hand, large numbers of geologists want to broaden their experience and run small companies somewhere. This is coming into general management'..." (Question 605).

The Treasury Memorandum

27. Within three months of the Government's announcement of the Fulton Committee the Treasury had, in its memorandum, gone some way towards accepting this line of argument. We regret that it was unable to go further and still held that the assimilation of the specialist grades into its proposed new management structure was not possible.

28. We accept the proposals that the Administrative and Executive Classes should be merged because there is no longer a necessary and meaningful distinction between them such as to justify the preservation of two separate classes.

29. But we would urge that the new graded management structure must also include the existing professional classes. Indeed we believe it is more important and more logical to remove the formal barrier between the general administrator and the specialist than that between the Executive and Administrative Classes. Movement between the latter classes is already extensive, yet as it has been put to us:

"An Executive Officer seeing that a Clerical Officer is following the right routines, the Permanent Secretary recommending policy to the Minister, the head of a scientific establishment allocating his resources—which is the odd man out?"

30. It would appear that the Treasury has adopted the proposal more because of its specific difficulty in recruiting graduates to the existing Executive Class than because it believes in principle that the differentiation is indefensible. The tone of paragraph 15 of the note tends to support this interpretation. The solemnity with which "class" is recommended to be banished in favour of "group" and the rather trivial discussion of the need for specific title would suggest that the Treasury does not feel that substantial changes are really necessary.

" Graduates "

31. In any case the proposals for the graduate entry seem inadequate, either to encourage the higher rate of recruitment which is held to be essential or to make the best use of the graduates that are recruited.

32. At present graduates enter at two levels. A small number enter as Assistant Principals in the Administrative Class; a training grade for the highest posts. A larger number enter the Executive Class but this has not proved sufficiently attractive to graduates of the quality the Civil Service requires and this is one of the chief reasons for recruitment difficulties. The Treasury proposes that all graduates should now enter together but that some should be "starred" on entry, would be trained much as Assistant Principals are now, and should have the probability of accelerated promotion. A few additional graduates may be attracted by the common structure, but it is likely to be only a few. The second-class status will still be there, and indeed there may be *more* ill-feeling between the two groups of graduates because of their nominal equality. The "starred" graduate will still be the administrative superman in embryo. The Service will still accept the doctrine that there are certain rare and valuable qualities that can be detected in a candidate just down from university that reveal his potential for the higher administration. Despite the provision that he may now lose his "starred" status there is a strong presumption still that he will not. This is intentional because it seems that the Treasury believes (perhaps rightly) that it is the high prestige and automatic promotion that attracts the really gifted graduate to the Administrative Class. They do not want to risk losing him. For the "unstarred" the only incentive lies in the fact that the "starred" intake will be smaller than the existing Assistant Principal intake and that therefore there is likely to be a number of "Grade V" posts for which he may compete.

33. We do not believe that this will solve the problem of recruiting more graduates. Indeed, the pseudo-egalitarianism may succeed in reducing the number of applicants of the kind who now enter as Assistant Principals without increasing the numbers of middle to high quality graduates who are attracted into the Service.

34. The Treasury implies that the priority is to increase substantially the total number of graduates it recruits. An intake of 200 a year has been mentioned. If this is so, something more drastic must be done. Either the risk must be taken that a proportion of the present Assistant Principals intake is to be lost to the Service; or pay must be increased quite markedly so as to lessen the extent to

which high prestige and future promotion feature in the graduate's appraisal of the public service; or the award of "stars" must follow and not precede a period of training which should be common to all graduates. We favour the third of these approaches. (This proposal will be elaborated in Section 5 "Training".)

35. There is a danger here. Whilst we understand the problem of recruiting graduates we think it would be wrong to treat them as a class apart. At the moment about half of the Administrative Class are non-graduates. No one suggests that they do a worse job than graduates. We should not therefore like to see the "select" few aura transferred from the Administrative Class to graduates as a whole.

The Scientific and Professional Classes

36. The Treasury note stresses the difficulties of assimilation into its new management structure and asserts that flexibility between classes is unimportant, except at a comparatively senior level.

37. We believe that the difficulties have been overstated. Whilst it is true that there are a large number of posts and grades and scales to be assimilated, most differ in rates of pay by ridiculously small amounts. The principle of similar rates for similar training is accepted but there are historical variations and odd leads and lags exist. We would suggest that there is considerable scope for rationalisation. There is an obvious starting point. Just as the distinction between Chief Executive Officer and Principal is breaking down, so is the difference between Principal Scientific Officer and Chief Experimental Officer and Engineer I; between Senior Experimental Officer and Engineer II, and so on.

38. We accept that most "specialists" recruited as such will wish to occupy themselves within their own particular disciplines in their early years in the Service but we hold that recruitment would be greatly helped if the Civil Service could offer the same future prospects as exist in other spheres for movement later into administrative jobs. We believe that the Service would benefit from this movement and that to enable the movement to take place "administrative" training must be given *early* in a specialist's career. We think that the recruitment problem here is analogous to the problem of recruiting graduates to the Executive Class. It has been discounted by the Treasury note and in evidence given to the Estimates Committee.

39. As the Report of the Civil Service Commissioners for 1965 says:

"The problems of recruitment to the Scientific Civil Service have not attracted as much attention as those on the Administrative side." (Page 1.) It goes on:

"...We still fail to attract enough of the really outstanding men to the Scientific Class and some at least of the universities do not encourage their students to apply for appointment in the Experimental Officer Class" and later:

"Most of the professional classes continue to be difficult recruitment fields."

40. We would not argue that an integrated structure would solve all recruitment problems. It obviously would not. But it would remove a positive disincentive to recruitment. At the moment the contrast with industry is marked.

Scientists

41. To take as an example the use of scientists. Many enter the Service at 24-27 after obtaining a Ph.D. as Senior Scientific Officers or their equivalents, or if they are not of such high quality, as Experimental Officers. They are often employed in research in an establishment that does little else. Recruitment is based on their academic record plus interview and they are intended for research all their careers. We would suggest that this is bad policy for the men and for the future of Civil Service research.

42. Industrial organisations like I.C.I. or Unilever take on more scientists to do research, but are continually feeding suitable candidates into general industrial management. We believe the Civil Service (and the A.E.A. etc.) should do the same. This would help to avoid the moribundity which sometimes afflicts research establishments twenty years or so after their initiation.

43. The reason is that most scientists produce their best and most original work while they are still young. Scientific creativity tends to dry up as middle age approaches. By this time a man is likely to be a Principal Scientific Officer; he will be earning over £3,000 a year; he will have a pension to look forward to and almost total security. He might have passed his peak of "scientific" usefulness to the government service, but he is unlikely to move out before retirement, or to improve his financial position he if does so. At this stage he will probably be glad of the chance to move onto the "management" side of the Service. The Service will get more out of him, and he will have extended career prospects. Mobility will also be easier; as an administrator with a scientific background he will have something more to offer and the general opening up of opportunities should increase recruitment into the Service at lower levels.

44. Scientists, engineers and other "professionals" should be groomed as potential administrators from the very early days in the Service. In Section 5 we make certain proposals as to how this should be done.

45. We think that integration within the Service would be made easier if a degree of specialisation were encouraged on the administrative side, as has been suggested by one serving Civil Servant (Mr. R. G. S. Brown in *Public Administration*, Autumn, 1965). He suggests that expertise in making use of the Government machinery and the political underpinning of the Minister should be recognised as specific skills in which some administrative Civil Servants should specialise. They might be described as "private office orientated" others would be "research problem orientated" and would work closely with the "professionals" quite naturally.

46. Given time the difficulties, if any, of the new relationship would vanish. The experience gained so far would seem to bear this out. (Notably the current experiment in the Ministry of Transport, in which a double reorganisation in

early 1964 and late 1965 has resulted in a large number of working units consisting of both engineers and Administrative Class Civil Servants, reporting sometimes to joint heads, sometimes to a single head who may be either an engineer or an administrator.) They would be equally eligible for promotion to senior posts.

We propose:

3. That the formal division between the executive, Administrative and Professional Classes of the Service be abolished.
4. That graduate entrants to the non-professional Civil Service should enter at a single level and should undergo a common course of initial training (see also Section 5).
5. That improved recruitment and better training for graduates should not stifle the career prospects of non-graduates within the Service and that improved training should be available for suitable non-graduates to fit them for the highest posts.
6. That "administrative" training should be given to those entering as professionals at an early stage of their careers and opportunities should be available and encouragement given them to move into administrative jobs at appropriate points of their career.
7. That a degree of specialisation be encouraged on the administrative side between those who are "private office orientated" and those who are "research problem orientated" as a means of breaking down any lingering informal barriers that may exist between "administrators" and "professionals".
8. That existing experiments in "mixed hierarchies" e.g. in the Ministry of Technology or the Ministry of Transport should be extended into other Ministries with large and mixed establishments.

D. MANAGEMENT

47. "Management" in relation to the Civil Service means two different things. In relation to the Civil Service as a whole, it means improving its structure and organisation, seeing that it is manned by people of the right quality and that the best possible use is made of them. In relation to the individual departments it has a similar meaning but also denotes a new positive approach to the planning and execution of policy. Until very recently the need for management at the level of the department, except in a very restricted sense, has not been generally accepted.

48. For the Service as a whole, we support the Fabian proposal (made in "The Administrators", published in 1964) that the personnel management functions now performed by the Treasury should be transferred to a strengthened Civil Service Commission. Its present functions of recruitment and selection would then comprehend also conditions of Service questions and training. It would also be responsible for some degree of career planning and for the higher appointments in the Service.

49. The new Commission would retain the independence of the old, and enhance its status. It would negotiate with the Treasury for the funds necessary to carry out its functions as would any other spending department of the Government. It would accordingly be able to approach its managerial functions with efficiency rather than economy as its watchword. It would press for the provision of adequate secretarial and ancillary facilities and decent office accommodation and so on. In these fields, the niggardly attitude of the Treasury has caused the Government to lag far behind private employers. (Though to be fair, there is a credit side—in the use of office machinery and computers and in the provision of canteen facilities the Treasury has done very well by the public service.)

50. The Commission should also have the wider function of keeping under constant review the machinery of Government and making recommendations for improvement, including the allocation of responsibilities between departments.

51. Particular attention must be paid to the necessity for making the best use of individual members of the Service. There are two distinct problems. The first is the failure to make the fullest use of a man's ability to perform a specific job. Principals are given a minimum of secretarial assistance and there is a tendency for responsibilities to be pushed upwards instead of downwards. This can result in highly paid officers doing more or less menial jobs. As one former Civil Servant put it to us:

"I suspect there is no organisation employing so many people at around £3,000 a year which spends so little on seeing they are being used productively."

This must be primarily a question for individual departments, but the Commission must put pressure upon them to face up to their managerial responsibilities.

52. The second problem is the frequent failure to plan sensibly a man's career as he moves from job to job.

A man should accumulate a gradually widening range of experience of related subjects either within a large and varied department like the Treasury, or in closely related departments. Constant and sometimes frequent switching between unrelated jobs seems likely to be unsatisfying for individuals and a less than efficient way of running the public service as a whole.

It may be true that as an article on "Public Administration" in the Spring of 1963 suggested, that "...disturbance and discomfort can induce extra growth in the right kind of human plant..." but we suspect that such a plant is a rare one.

53. Moreover, it is impossible to train Civil Servants if the range of their duties is too broad.

An Executive Officer may find himself in buying, accounts, contracts, estimates, recruitment, secretarial duties, statistical calculation, preparing and summarising documents, case work and information material. Duties that will require him to act as an individual, as a member of a team, or as a manager.

A Principal may cover an equally wide range of duties. Two of the things he is least likely to do are to take charge of a large group of people or to take a

major part in personnel selection and training. He may then find himself as an Assistant Secretary in an Establishment division when this becomes the whole of his function. There must be more specialisation.

54. One approach that might be adopted in order to make individual career planning easier is a move towards the practice in the United States whereby departments are typically composed of bureaux which have an identity of their own and considerable permanence in their heads and staff. This gives to members of the staff far more scope for pursuing a particular line of policy than the rather anonymous subdivisions of British Ministries. There is an identity between staff and policy which does not now exist. The new Commission, as part of its initial examination of the structure of Government, should look very closely at the possibility of dividing Ministries in this way. Something like this form of organisation is likely to emerge in an informal way from the increase in specialisation within the departments which we envisage.

55. A natural result of this might be the emergence in each department of a small body of men with equal access to the Minister and an end of the existing concentration of power in the hands of one man, the Permanent Secretary. We would approve of such a development.

We propose:

9. The transfer of the personnel management functions of the Treasury to a strengthened Civil Service Commission which should also be charged with the task of a continuous review of the departmental structure of Government.
10. The Commission should urge upon the departments the necessity for making the fullest possible use of staff and should undertake studies of the effectiveness with which departments use their senior staff.
11. Individual careers should be better planned so that an official acquires a steadily widening range of experience and is not expected to move frequently between totally unrelated jobs.
12. As an aid to individual career planning and to administrative specialisation within the departments the Commission should investigate, in co-operation with the departments, the possibility of subdividing them into separate bureaux within which there would be a great continuity of staff and a closer association between staff and policy.

This should lead to a reconsideration of the relative positions in the department of the heads of these bureaux and the Permanent Secretary.

E. RECRUITMENT AND MOBILITY

56. We have already made a number of suggestions for easing the recruitment problems of the Service in the middle to long term. To make good existing deficiencies there will have to be an increase in the number of temporary appointments or, perhaps, an increase in the number of permanent appointments made at Principal level. We shall watch with interest the progress of those recruited in 1965, the first year when this was done on any appreciable scale. There are, however, a number of points we would make on recruitment policy.

57. The Service must intensify its attempts to recruit graduates from universities other than Oxford and Cambridge and with degrees in non-arts subjects. Some progress has been made in the last year or two but in 1965 Oxbridge still accounted for three-quarters of the direct entrants to the Administrative Class. The new Commission must be rather more systematic in its attempts to attract high quality graduates from other universities and must find out just who it is missing and why.

58. The new integrated structure we have proposed will help in both directions, but it will probably not be enough to redress the balance completely. The strong personal links that exist between the Service and the ancient universities (especially some colleges) provide a positive reason why Oxbridge graduates consider the Civil Service as a career; corresponding positive action is needed to make sure that the Civil Service is similarly in the minds of graduates of other universities when they plan their futures. Recent non-Oxbridge entrants must be used and much closer links must be forged not only with appointment boards but also with the teaching staff at universities. The persistent recruitment difficulties the C.S.C. has faced, despite its recent efforts, must in part be a result of a much more general isolation of the Civil Service from much of the life of the country.

Specialists

59. More "specialists" should be recruited. Permanent recruitment should be improved by the more closely integrated Service; but the number of temporary appointments should also be increased as a matter of policy. This is already beginning—it should be vigorously encouraged. It will need to be, for the limiting factor at the moment is not the reluctance of the Treasury or other Government departments to recruit, but a shortage of the sort of people they are after. Sir William Armstrong told the Estimates Committee; "We could do with about twice as many in the basic grade of Economic Adviser." (QN. 753.) He saw dangers in the growth of specialisation but declared: "there is a positive need for people who are qualified in particular techniques... we just must get them, rather than speculate about what might happen if we build up that side too much." (QN. 787.)

"Political" Appointments

60. Two particular kinds of temporary appointment should be explicitly recognised.

First, experts who are called in to help to implement the particular policies of the government of the day. Here we envisage the recognition of a limited number of "posts of confidence". These appointments must be at a fairly high level or special provision must be made for access to the Minister. It would be quite pointless to bring an expert into the Service to do a specific job and then allow him to get lost in the internal machinery of the Ministry, denied access to the Minister and without the means of making good use of the committee structure.

We do not envisage that there would be very many of these appointments. But a new government coming into office often has a number of policy proposals

that are particularly controversial or mark a very radical change from what has gone before. A considerable amount of work may have been done while in opposition. It seems entirely sensible that someone who has done that essential work and is completely committed to the policy should have a hand in seeing it implemented. It is not that the permanent officials are likely to obstruct it, nor would we want to prevent them from giving it a rigorous critical examination and pointing out to the Minister the difficulties in the way of the course of action proposed. Equally, their help would be needed to draft legislation and to guide it through Parliament.

61. But in present circumstances the official is not an expert and if he is not fully convinced by a particular policy the temptation will always be there to try to achieve the general aims of the policy within the existing framework with which he is familiar. Alternatively, if the policy cannot be recast in this way his whole training and normal method of working will not fit him for the job of driving it through the various departmental and interdepartmental committees. His urge must always be to conciliate and to compromise.

62. The relationship between the "temporary expert" and the permanent Civil Servant might prove a difficult one, but with good will on both sides, the resulting "creative tension" could make the collaboration a highly valuable one.

Such appointments would normally be fairly short-term—for as long as it took to get a particular item of legislation on the statute book—but would in any case terminate with the life of the Government.

A Ministerial "Cabinet"

63. The second proposal we would make is that a Minister on assuming office, should have the power to appoint a limited number of personal assistants (perhaps up to four) with direct access to him and to all the information in his department. These would form his personal "Cabinet". They would take no administrative decisions themselves. They would have neither the size or the power of, for instance, their counterparts in France. Indeed, the pronunciation alone is French, the "Cabinet" we propose is a British response to British needs. Its function would be to act as a political brains trust to the Minister, to act as an extra pair of eyes and ears, to stimulate him.

64. The basic reason for recommending such a step is that as departments have grown in size and in complexity, the load on the political head has grown greater. The result is that a Minister can be a lonely man. He may be supported by one or two junior ministers, but often he will not have chosen them himself, and they too will in any case be busy men. We believe a Minister can profit greatly from having a number of close personal advisers with him in his department.

65. The exact use made of the "Cabinet" (or indeed its use at all) would depend on the Minister. But it might have three chief functions.

66. A research function: they would help him with the work of policy formulation within his department, keep in touch with what was going on in the

department, and thus enable a meaningful political intervention in the early stages of the evolution of policy and assist the Minister in marrying his own ideas with those of the official machine. They might also help to brief the Minister on items on the Cabinet agenda.

67. A liaison function: to perform such briefing adequately, they would need to be in close touch with other Ministers through members of their Cabinets. This sort of network would parallel the informal links which exist at present between officials in the different departments and again act to restore the balance between the politician and the official.

68. The third function is less easy to define. It is that of transmitting the political impulse from the Minister to officials working in the department who may rarely or never see him. They must provide a point of contact.

69. Though the "Cabinet" is a fairly radical departure from traditional practice, we feel that it should not be too difficult to accommodate in the sort of Civil Service we envisage. It will be performing a "political" function which, though it parallels the function of the private office at some points, is essentially different. Once the private office becomes accustomed to the loss of its exclusive right of guardianship there should be little reason for friction.

Mobility

70. In any case there is another change we should like to see that would help make easier the acceptance of temporary political appointments. That is that there should be a great deal more movement in and out of the Service at all levels; it should cease to be a virtually closed profession. Pension arrangements should be such that a man should be able to leave early or arrive late.

71. All potential senior officials should spend some time in their formative years in local government, nationalised industries, and with rather more caution, in private industry. This would avoid the situation described by Sir William Armstrong in evidence to the Estimates Committee that it was:

"...often apparent that a Principal who is extremely intelligent knew very little about life other than what he got out of the files..." (QN. 758.)

72. A Civil Servant ought also spend some time in the regions. It should be normal for a man to spend a period of perhaps three years in a regional post, possibly quite soon after his appointment.

73. Some officials may also want to spend a period of time in outside employment or in a university at a later stage in their careers as a way of broadening their experience in a particular way that seems desirable to them in furthering their careers. Applications for leave of absence should be examined individually but granted, subject to certain safeguards, whenever it seems to be of value to the Service and the official concerned can be released from his duties. For either of these ideas to work, the flow will have to be two way, or else recruitment to the Civil Service must be substantially increased.

74. To encourage mobility both into the Service from outside and within the Service, it should be general practice to advertise suitable specific posts both internally and externally.

We think this would help to break down the too rigid departmentalism of the Service and the tendency of departments to hold onto their better people. One consequence of this is a wide variation between departments in the average quality of Civil Servants. Another is the frustrations that may be felt by a bright Civil Servant for whom there are no immediate promotion prospects, but whom his department does not want to lose, who may find himself doing a job considerably less taxing than his abilities would warrant.

75. When it has a post to fill, a department should be able to choose from all those of the right quality who will allow their names to go forward.

76. A particular problem exists in the case of the Treasury which has always tended to skim off the cream and hoard it until the top ones are fed into the departments as Permanent Secretaries. If the practice of advertising posts does not succeed in attracting men out of the Treasury, consideration might be given to regularly moving a fixed proportion of Civil Servants out of the Treasury at a certain level, though care would have to be taken that they were not the least good.

77. We do not see any contradiction between advocating greater specialisation within departments, as we have done, and the breaking down of departmentalism. The development of a particular range of skill or experience which may well be useful in a similar bureau of another department is very different from the development of an exclusive *esprit de corps* based merely upon membership of a particular government department.

78. The Civil Service Commission should undertake studies of mobility in practice and assess what are the most advantageous ages and career points for the recruitment of outsiders and for the secondment of career Civil Servants.

Some recent experience, it is suggested to us, would seem to show that recruitment in the middle-thirties at Principal level works well, but that recruitment at later ages or higher levels works less well.

We propose:

13. A much more vigorous and determined attempt to recruit people from universities other than Oxbridge and with other than arts degrees; particularly by the development of much closer personal contact in those universities.
14. A thorough analysis of the people the Service fails to attract and why.
15. A continued increase in recruitment of "specialists" on both a permanent and a temporary basis.
16. Recognition of two special categories of temporary appointment:
 - (a) Experts called in to help implement particular Government policies.
 - (b) A small number of personal advisers appointed by Ministers to help them in their day-to-day work.

17. The revision of pension arrangements so as to facilitate free movement in and out of the Service; the secondment of staff to suitable outside occupations or to regional centres quite early in their careers; and provision for voluntary secondment or leave of absence for approved purposes later in their careers.
18. The advertisement of specific senior posts both inside and outside the Service.
19. A continuing study of how freer movement works in practice to ascertain optimum ages and career points for recruitment and secondment.

F. TRAINING

79. By and large the Civil Service still believes in the apprenticeship system of training. A Training and Education Division of the Treasury was established, and training officers designated in the larger departments, as long ago as 1945; but progress has been uncertain and training has usually suffered during economy drives. In recent years, following the stress laid by the Plowden Report on the importance of training and the establishment of the Centre for Administrative Studies, some progress has been made and the climate now seems right for a major expansion.

80. It is particularly important that much thought is given in the departments to appropriate training for staff at all levels, but in some areas the responsibility ought clearly to be with the newly-strengthened Civil Service Commission.

It must provide suitable training for the expanded graduate intake for specialists to equip them for administrative jobs; for middle management; and for those now at around the Principal level who have missed the Centre for Administrative Studies courses.

81. For the graduate entry the Treasury is at present proposing some extension of the training facilities provided by the Centre for Administrative Studies but that the length of the initial course for its "starred" graduate recruits should remain as at present and be shorter for others.

These proposals are inadequate on two counts. We think the C.A.S. courses should be greatly expanded and we think they should be shared by the whole of the graduate entry.

82. Ideally the sort of graduate the Service wishes to attract is the man or woman who now just fails to enter the Administrative Class, or who does not enter because he feels he cannot reach the rarified standard asked for but regards himself too highly to find the present Executive Class attractive. By making the two classes of graduate entry genuinely comparable, the general level of the graduate entry can be raised. The "starring" system as proposed will tend to maintain the distinction between the two kinds of graduate despite the nominal membership of a common class.

So long as the distinction is there so long will remain the difficulties of recruiting "unstarred" graduates. If the "star" system is really necessary to bring the "most able" graduates into the Service it should be operated *after* the initial training period.

Graduate School of Government

83. The answer lies in recruiting the larger number of graduates and giving them a common course of training at a greatly expanded C.A.S. which should have the size and status of a graduate school of government (it might also be used for economic training, for "specialists" as well as the general graduate entry, if as Sir William Armstrong suggested to the Estimates Committee, a special branch of applied economics called "Government Economics" is established. It might even be sensible to develop the centre primarily as a graduate school with the mere possibility of recruiting its students into the Government Service.)

84. This would require a major expansion and will be quite a costly operation, both in terms of money and initially, at least, in manpower, but it can both increase the supply and improve the quality of administrators at all levels in the Service, and should therefore be done.

85. There is a danger of some wastage from those who expect to gain "stars" but do not; but we would hope that the quality of the training and experience offered would increase recruiting to compensate for this. The initial numbers accepted for the course should, however, be high enough to allow for this possible wastage. In any case because of existing shortages, in the Service, a higher rate of recruitment is desirable, and with the more open Service we should welcome an overspill of well-trained people into outside employment. The school would be an important part of administrative/industrial training and we should regard any product of it as a worthwhile investment.

86. Serious thought will have to be given to the provision of alternative training for those already in the middle ranks of the Service if ill-feeling is to be avoided, since the progress of the new trainees is likely to be accelerated.

We think it might be worthwhile considering the allocation of a small number of places in the first year or two to selected serving Civil Servants from the departments. Their views might be very useful in deciding the precise form the alternative course should take.

87. The details of the curriculum would be a matter for the Commission, but there are certain general points that we would wish to make.

The course should be designed to last about two years. It should cover the ground at present covered by the C.A.S. courses: the three-week course on the structure of government; the ten half-days on modern science; and the twenty-week course now usually taken in the third year in service. There would, of course, be considerable scope for expanding the syllabus covered by these courses and filling the gaps in them, which are caused, presumably, by the restricted time available at present. A course on the social sciences is, perhaps, the most obvious unfilled need.

88. The course should also include a period in the departments; in local government, if it can be arranged; and a period in industry. It might be possible to arrange this on a transfer basis. Trainees from the C.A.S. might change places for a time with management trainees in industry to their mutual benefit.

89. We would also recommend to the Committee the suggestion made by the Fabian Society that work in the school should stress the new function of the

17. The revision of pension arrangements so as to facilitate free movement in and out of the Service; the secondment of staff to suitable outside occupations or to regional centres quite early in their careers; and provision for voluntary secondment or leave of absence for approved purposes later in their careers.
18. The advertisement of specific senior posts both inside and outside the Service.
19. A continuing study of how freer movement works in practice to ascertain optimum ages and career points for recruitment and secondment.

F. TRAINING

79. By and large the Civil Service still believes in the apprenticeship system of training. A Training and Education Division of the Treasury was established, and training officers designated in the larger departments, as long ago as 1945; but progress has been uncertain and training has usually suffered during economy drives. In recent years, following the stress laid by the Plowden Report on the importance of training and the establishment of the Centre for Administrative Studies, some progress has been made and the climate now seems right for a major expansion.

80. It is particularly important that much thought is given in the departments to appropriate training for staff at all levels, but in some areas the responsibility ought clearly to be with the newly-strengthened Civil Service Commission.

It must provide suitable training for the expanded graduate intake for specialists to equip them for administrative jobs; for middle management; and for those now at around the Principal level who have missed the Centre for Administrative Studies courses.

81. For the graduate entry the Treasury is at present proposing some extension of the training facilities provided by the Centre for Administrative Studies but that the length of the initial course for its "starred" graduate recruits should remain as at present and be shorter for others.

These proposals are inadequate on two counts. We think the C.A.S. courses should be greatly expanded and we think they should be shared by the whole of the graduate entry.

82. Ideally the sort of graduate the Service wishes to attract is the man or woman who now just fails to enter the Administrative Class, or who does not enter because he feels he cannot reach the rarified standard asked for but regards himself too highly to find the present Executive Class attractive. By making the two classes of graduate entry genuinely comparable, the general level of the graduate entry can be raised. The "starring" system as proposed will tend to maintain the distinction between the two kinds of graduate despite the nominal membership of a common class.

So long as the distinction is there so long will remain the difficulties of recruiting "unstarred" graduates. If the "star" system is really necessary to bring the "most able" graduates into the Service it should be operated *after* the initial training period.

Graduate School of Government

83. The answer lies in recruiting the larger number of graduates and giving them a common course of training at a greatly expanded C.A.S. which should have the size and status of a graduate school of government (it might also be used for economic training, for "specialists" as well as the general graduate entry, if as Sir William Armstrong suggested to the Estimates Committee, a special branch of applied economics called "Government Economics" is established. It might even be sensible to develop the centre primarily as a graduate school with the mere possibility of recruiting its students into the Government Service.)

84. This would require a major expansion and will be quite a costly operation, both in terms of money and initially, at least, in manpower, but it can both increase the supply and improve the quality of administrators at all levels in the Service, and should therefore be done.

85. There is a danger of some wastage from those who expect to gain "stars" but do not; but we would hope that the quality of the training and experience offered would increase recruiting to compensate for this. The initial numbers accepted for the course should, however, be high enough to allow for this possible wastage. In any case because of existing shortages, in the Service, a higher rate of recruitment is desirable, and with the more open Service we should welcome an overspill of well-trained people into outside employment. The school would be an important part of administrative/industrial training and we should regard any product of it as a worthwhile investment.

86. Serious thought will have to be given to the provision of alternative training for those already in the middle ranks of the Service if ill-feeling is to be avoided, since the progress of the new trainees is likely to be accelerated.

We think it might be worthwhile considering the allocation of a small number of places in the first year or two to selected serving Civil Servants from the departments. Their views might be very useful in deciding the precise form the alternative course should take.

87. The details of the curriculum would be a matter for the Commission, but there are certain general points that we would wish to make.

The course should be designed to last about two years. It should cover the ground at present covered by the C.A.S. courses: the three-week course on the structure of government; the ten half-days on modern science; and the twenty-week course now usually taken in the third year in service. There would, of course, be considerable scope for expanding the syllabus covered by these courses and filling the gaps in them, which are caused, presumably, by the restricted time available at present. A course on the social sciences is, perhaps, the most obvious unfilled need.

88. The course should also include a period in the departments; in local government, if it can be arranged; and a period in industry. It might be possible to arrange this on a transfer basis. Trainees from the C.A.S. might change places for a time with management trainees in industry to their mutual benefit.

89. We would also recommend to the Committee the suggestion made by the Fabian Society that work in the school should stress the new function of the

Civil Service in planning ahead the development not only of the economy but the social structure generally. It would encourage in students constructive thinking on the forward planning of transport, housing, the social services, and so on.

90. In making these suggestions we have naturally been greatly influenced by the success of the French *Ecole Nationale d'Administration*. But we would not want the parallel to be taken too far. There are obvious differences between the two countries which in any case prevent this—we have no equivalent to the provincial “prefect” and so the nature of the practical training must clearly be different. We feel that it is essentially in its scale that we would wish to recommend the E.N.A. (We would not wish to see the C.A.S. entry as restricted or as socially biased as E.N.A.’s appears to be. We have also noted some criticism of its syllabus, e.g. the weight given to the study of administrative law; and its tendency towards inbreeding. A high proportion of the tutors it is suggested are now “anciens” of the school.)

Wider Training

91. The course should be followed by “on the job” training which is better planned and more testing than it is now. One of the criticisms of the present system that has most impressed us is the frustration felt by Assistant Principals, both because the main C.A.S. training course is delayed until the third year and because they often feel that they must wait for anything up to seven years before they are entrusted with any responsibility.

92. We feel the present training period would be much better spent in the following fashion. Two years at C.A.S., a period of 2–3 years in the department, and a period at a regional centre. Time spent in the regions would vary and we suppose that some might be promoted there; others might return to London on being promoted.

93. Considerable attention should be given to fitting professional Civil Servants into this new pattern of training. They should certainly spend some time on arrival at C.A.S. and share some courses at least with the administrators.

Secondment to industry from time to time should be arranged (and to universities where appropriate) and places should be found for them on the middle and senior management courses proposed by the Treasury for men in their early and late 30s. The aim should be to equip professional Civil Servants for administrative jobs at around the age of 40; though some would obviously wish to specialise in research management, and others still might no doubt remain specialists all their lives.

94. Special attention should also be paid to training in the departments. It might be thought beneficial for there to be two training officers: one who would be seconded from his normal duties as at present and one a specialist who would devote his whole time to training. This would probably not be an ideal arrangement but might be better than extending the tour of a seconded officer and risk getting the worst of both worlds.

A great deal of thought should be given to the provision of short courses for junior staff.

We propose:

20. An enlarged C.A.S. providing courses of about two years in length for all the graduate administrative entry. They should combine courses of the kind now provided by C.A.S., suitably supplemented; and practical training in the departments, in local government and in industry. The course should be followed by better planned "on the job" training and a period in a regional centre.
21. That professional entrants should share some of the C.A.S. courses for administrators, and that secondment to industry and in suitable circumstances to the universities should be arranged.
22. Middle and senior management courses should be provided for both administrative and professional staff without distinction.

G. RECOMMENDATIONS

We propose:

1. Steps should be taken to develop a more forceful concept of public service, and a Civil Servant who is more professional, adaptive and creative. There must be more personal involvement in the execution of policy or negotiation on the public's behalf with private interests.
2. The Civil Servant should be better integrated both with his colleagues performing different functions in his department and with people working in fields related to his outside.
3. That the formal division between the Executive, Administrative and Professional Classes of the Service be abolished.
4. That graduate entrants to the non-professional Civil Service should enter at a single level and should undergo a common course of initial training (see also Section 5).
5. That improved recruitment and better training for graduates should not stifle the career prospects of non-graduates within the Service and that improved training should be available for suitable non-graduates to fit them for the highest posts.
6. That "administrative" training should be given to those entering as professionals at an early stage of their careers and opportunities should be available and encouragement given them to move into administrative jobs at appropriate points of their career.
7. That a degree of specialisation be encouraged on the administrative side between those who are "private office orientated" and those who are "research problem orientated" as a means of breaking down any lingering informal barriers that may exist between "administrators" and "professionals".
8. That existing experiments in "mixed hierarchies", e.g. the Ministry of Technology or the Ministry of Transport, should be extended into other Ministries with large and mixed establishments.

9. The transfer of the personnel management functions of the Treasury to a strengthened Civil Service Commission which should also be charged with the task of a continuous review of the departmental structure of government.
10. The Commission should urge upon the departments the necessity for making the fullest possible use of staff and should undertake studies of the effectiveness with which departments use their senior staff.
11. Individual careers should be better planned so that an official acquires a steadily widening range of experience and is not expected to move frequently between totally unrelated jobs.
12. As an aid to individual career planning and to administrative specialisation within the departments the Commission should investigate, in co-operation with the departments, the possibility of subdividing them into separate bureaux within which there would be a greater continuity of staff and a closer association between staff and policy. This should lead to a reconsideration of the relative positions in the Department of the heads of these bureaux and the Permanent Secretary.
13. A much more vigorous and determined attempt to recruit people from universities other than Oxbridge and with other than arts degrees; particularly by the development of much closer personal contact in those universities.
14. A thorough analysis of the people the Service fails to attract and why.
15. A continued increase in recruitment of "specialists" on both a permanent and a temporary basis.
16. Recognition of two special categories of temporary appointment:
 - (a) Experts called in to help implement particular Government policies.
 - (b) A small number of personal advisers appointed by Ministers to help them in their day-to-day work.
17. The revision of pension arrangements so as to facilitate free movement in and out of the Service; the secondment of staff to suitable outside occupations or to regional centres quite early in their careers; and provision for voluntary secondment or leave of absence for approved purposes later in their careers.
18. The advertisement of specific senior posts both inside and outside the Service.
19. A continuing study of how freer movement works in practice to ascertain optimum ages and career points for recruitment and secondment.
20. An enlarged C.A.S. providing courses of about two years in length for all the graduate administrative entry. They should combine courses of the kind now provided by C.A.S., suitably supplemented; and practical training in the departments, in local government and in industry.

The course should be followed by better planned "on the job" training and a period in a regional centre.

21. That professional entrants should share some of the C.A.S. courses for administrators, and that secondment to industry and, in suitable circumstances, to the universities should be arranged.
22. Middle and senior management courses should be provided for both administrative and professional staff without distinction.

MEMORANDUM No. 98

submitted by

THE LIBERAL PARTY

November, 1966

1. In the century that has passed since the Northcote-Trevelyan Report, there have been radical changes in the nature of Government, in its purposes and methods. These call for reconsideration of the role and structure of the Civil Service to meet the changed conditions. Nonetheless, the Liberal Party, under whose aegis the main structure of the modern Civil Service was created, still takes the view that a non-political Civil Service selected and promoted by merit, should remain the foundation of the country's administrative system. At the same time, it recognises that there is a need for change, and for the acceptance of a more positive role for the Executive, in an era when the functions have increased so greatly.

2. How far the tradition of a politically neutral and anonymous Civil Service should be modified depends to some extent upon matters outside the terms of reference of the present Committee. For example, Parliamentary reform may take the form of the development of specialised committees of members concerned with the functions of individual Ministries; this would entail the senior Civil Servant dealing not only with his Minister, but also with the committee as a whole, and so, inevitably, becoming less anonymous than at present.

3. Apart, however, from any such major reforms of the machinery of Government and of Parliament, the Party considers that any changes in the present pattern of the Civil Service should be framed in the light of the following principles:

- (i) the machinery of recruitment should be adapted to the changing educational system in such a way as to make certain that the necessary proportion of young men and women are available for the service of the State and that remuneration and conditions of service should be competitive with what can be offered to individuals of similar quality in other walks of life;
- (ii) the training within the Service and the career patterns should be such as to provide the maximum opportunities for Civil Servants to get to know other aspects of the community's affairs in order that the increasing scope of governmental intervention in economic and social affairs should be conducted with both the maximum of efficiency, and the maximum of understanding of the social and economic problems involved;

- (iii) it should be recognised that devices for broadening the intake into the Civil Service involve certain dangers to the conception of an anonymous and non-political Service, and that additional safeguards against Party and personal patronage are now overdue.

4. In addition to the problem presented by the wish of some Ministers to have personal advisers chosen on a political basis, there is the wider question of the obvious need in certain departments for people able to apply to the problems before them the techniques of modern social science, for example, sociologists, criminologists, social psychologists etc. We believe that this need will, in part, be met by the widening of recruitment on a career basis, but it may, in addition, be necessary to consider an extension of the present possibilities of bringing in expert assistance from outside the career service at a senior level.

Our first suggestion would mean extending the work of the present Civil Service Commission into that of a Public Service Commission concerned with the general planning of recruitment and training in the Civil Service.

Career Structure

4. In respect of the new career structure, we are in support of the idea proposed in the Treasury Memorandum of May 1966,¹ which among other things, proposes the amalgamation of the Administrative and Executive Classes into a general management group, with the loss of their separate identities. We particularly approve the recognition of the fact that the universities rather than school leavers must increasingly be looked to to supply what has hitherto been the Executive Class.

5. We feel that the first need in recruitment is to attract more graduates from other universities as well as Oxford and Cambridge, and that a much more positive conception of recruitment in this respect should be part of the work of the Civil Service Commission. At present, very few graduates from the universities other than Oxford and Cambridge go into the Civil Service. That the Commission itself is aware of this need is manifest, as is also the fact that they have no bias in favour of Oxbridge candidates. It is indeed clear that the difficulty arises from the lack of candidates from other universities and disciplines rather than from a preference for Oxbridge and traditional fields of study. The reasons for this have often been discussed, but it appears that there is little encouragement or prospect at present for the able man or woman who is academically not in the very highest flight, and some consideration should be given to the kind of recruitment procedures which large business firms adopt to this class of graduate. Nonetheless, there is a great deal of talent among the graduates just below the academic level now recruited for the Administrative Class. Any reorganisation of the system of recruiting should not only find a place for these people, but should positively encourage them to come in.

This proposal is in line with the scheme outlined in the Treasury Memorandum of 1966, but we suggest that it could be more positively linked with an attempt to attract the Second Class honours man from the non-Oxbridge

¹ Memorandum No. 1.

universities. The proposal to "star" those with the higher academic qualifications is, however, open to question. While it might serve to attract the highest grade of young graduates, it could also to the same extent discourage those just below the level necessary for a "star". The fact of starting a step or two higher up the ladder might well prove incentive enough. We also recommend a closer interest on the part of the Civil Service generally in the work of departments of Government or political science in the universities with the idea of interesting the best students in academic problems of administration rather than as at present so largely in electoral and party studies. In cases where a research interest was aroused arrangements might be made for regarding a research degree in a government subject as meriting special consideration either in recruitment itself or in a subsequent promotion.

Training

6. We feel that the Centre for Administrative Studies as at present designed does not fulfil all the functions which are needed in order to increase the intellectual equipment, particularly of those recruited to the Service from disciplines outside the social sciences. The Centre tends to regard economics as almost the only important branch of the social sciences relevant to the training of Government servants. While we do not dispute the value of the economic approach, it is not a substitute for an understanding of the actual working of an industrial society and the administrative institutions of the country, or of the social and political environment at home and abroad, which provides the setting for government policy, or of the attitudes that the ordinary citizen brings to his contacts with the machinery of government. We feel that the courses are much too short, and that a centre of this kind should draw more widely on the social sciences and should be combined with a system for the secondment of Civil Servants to other institutions.

We are impressed by the opportunities offered in France during the course of training at the *Ecole Nationale d'Administration* for junior Civil Servants to work in the Provinces, usually under a Prefect. Though some experiments have been tried in this direction, we would recommend a wide extension of this. Assistant Principals should, in the normal course of their training, spend up to a year in the office of a local authority, of a nationalised industry, in the secretariat of a Commonwealth country, a regional hospital board, a regional policy headquarters, or other comparable institution, where they would get real experience of the problems as seen by the "man on the spot".

7. In general, we would urge greater opportunities for secondment throughout the Service, and believe that this often is a more suitable way of enlarging the Service's experience than the importation for short periods of persons from other walks of life. Such people will not, as a rule, be long enough in the Service to make a really full contribution with their special knowledge and skill. Rather than short-term recruitment, we would favour a scheme of permanent recruitment in mid-career where the needs of the Service warrant it.

Opportunities for Civil Servants to study foreign languages and new ideas and developments in other countries appear to be inadequate at present. The experience of the Gwyllim Gibbon Fellowships at Nuffield College suggests that a similar system of sabbatical leave could usefully be developed to enable Civil

Servants to spend a year in a university or studying methods and developments abroad. This should not be left to the chance of a particular institution having funds available from a bequest or other sources. Colonial and Commonwealth Governments commonly send their officers to British universities or to work for a time in local authorities in this country. Similar benefits might result from attachments from the British Civil Service to, for example, the Region of the District of Paris or the Department of Agriculture in the U.S.A. Others might usefully spend a sabbatical year working in the social services or writing on aspects of government in which they are interested.

Ministerial Advisers

8. We recognise that there are circumstances in which a Minister is justified, in view of the size of his department and the nature of his work, in wishing for the assistance of immediate advisers sharing his own political outlook. The tradition of a Civil Service, politically neutral, and professionally isolated from other professions and trades, from commerce, industry and the universities, excludes from the service of the State many people whose skill and experience would be valuable. Other countries, such as the U.S.A., do not accept this rigid division, and recently in this country, more people have been brought into the executive branch of Government from other fields—even from the political field.

This recruiting of people from outside the regular Civil Service is obviously valuable, but it involves undeniable problems:

- (a) the present methods of recruiting are obviously inappropriate, but no alternative has, as yet, been evolved apart from direct Ministerial appointment;
- (b) the present system contains no machinery which will dispel any suspicion of nepotism or favouritism, or which guarantees the capacity of the nominee. It can be represented as a reversion to the pre-Northcote-Trevelyan pattern, with political rather than family or social influence as the criterion.

9. The need is therefore to evolve a machinery by which such people can be brought in, while avoiding these suspicions and difficulties. It is suggested that the need could be best met as follows:

- (a) they should be accepted in the role of advisers, who would not be established Civil Servants, and would not be bound by the rules of promotion, of anonymity, etc., normally applied to Civil Servants;
- (b) an establishment of such posts should be authorised by the Treasury, but not so as to fix a permanent or long-term quota, but rather to meet the need as it arises;
- (c) appointment should be on the nomination of the Minister concerned but subject to approval by the Civil Service Commission, who should have to satisfy themselves that:
 - (i) the candidate has the necessary qualifications
 - (ii) there is no security risk involved, and
 - (iii) the appointment is within the authorised establishment.

Such appointments (for which a parallel can be found, though not exactly, in the practice in the U.S.A.) would not be permanent. It is of their nature that they should last only so long as the appointing Minister was in office. A question also arises about more junior posts, which are often a consequence of the appointment of such advisers, and which can involve a suspicion of political or personal nepotism. These, we think, ought to be filled by a procedure within the scope of the present recruiting machinery, but paying special attention to the wishes of the Minister concerned.

10. We feel considerable anxiety about the extent to which the Service has lost men to private industry in recent years just at the point when they could have given their best service to the State. We feel that the salary structure at the top should be reviewed with this in mind, but that it would also be desirable to investigate whether there are other than financial reasons which have brought about this drift. We recommend that there should be a full inquiry into the reasons which lead Civil Servants to leave the public service, and particularly into the salaries which they can command inside and outside the Service. Such an enquiry should deal both with men at the top of their departments, and those who are more junior. An improved system of recruiting is of little avail if the people recruited do not stay in the Service.

Further considerations

11. Without wishing to depart from the general principles of anonymity and Ministerial responsibility which should continue to govern the Service, we believe that there should be greater freedom for senior Civil Servants to give public expression to general views on public affairs but not on questions of Government policy, on the lines that appear to be accepted in certain other countries. We would certainly feel that considerable freedom of expression and publication should be available to Civil Servants during periods of secondment.

12. We think that serious consideration should be given to whether 65 is appropriate as the retiring age. It is thought that the early retirement age of 60 may be the contributory cause of the premature retirement of some Civil Servants, and those who do not retire prematurely may be distracted in the last two or three years of their service by the need to think about a future career.

13. Finally, we would suggest that there are some matters, entirely internal to the Service, which call for further consideration, but which it is difficult or impossible for people outside to assess with any degree of accuracy:

- (a) is the available talent spread sufficiently evenly between departments? It appears that some departments get an unjustifiably large share of the ablest men (e.g. Foreign Office, Treasury) and others too little;
- (b) is the traditional system by which correspondence (the minuting system) is routed upwards from the Registry the main cause of the delay which undoubtedly occurs in answering letters? If so, is it justified. We believe it would be valuable to have this machinery examined by persons conversant with modern business efficiency methods.

MEMORANDUM No. 99

submitted by

THE NATIONAL CITIZENS' ADVICE BUREAUX COUNCIL

February, 1967

I. Introduction

1. The purpose of citizens' advice bureaux is: "To make available to the individual accurate information and skilled advice on many of the personal problems that arise in daily life; to explain legislation; to help the citizen to benefit from and to use wisely the services provided for him by the State and, in general, to provide counsel to men and women in the many difficulties which beset them in an increasingly complex world."

2. Each bureau is an independent local unit but all are closely linked with the National Citizens' Advice Bureaux Council which provides the background information on which their work is based, helps with the recruitment and training of workers and is concerned to maintain a high standard of work throughout the Service. There are now 468 bureaux in the United Kingdom.

3. Bureau staff are carefully chosen and trained for this work. About seventy per cent are voluntary workers. They come from every walk of life (including many retired Civil Servants). They have a wide range of experience and a fund of knowledge which they are able to relate to the problems of those who come to them for help. All workers accept the need for continuous training in order to keep themselves up-to-date with changes in legislation and developments in the social services. In addition most bureaux have behind them a panel of specialists, which includes an honorary legal adviser.

4. Because C.A.Bx are willing to listen to all comers, and to give advice and information concerning any question which is put to them (which indeed is their main function) they are made aware of the problems and difficulties with which ordinary men and women are faced, perhaps to a greater extent than any other organisation. This puts them into the position of being able to represent the views and experience of a very large number of individual members of the public who have no other means of making their experience available to a government committee of enquiry and who, even if such an opportunity were available to them, would be too inarticulate to take advantage of it.

5. Whilst bureaux should not be seen as a "complaints" organisation it must be remembered that many of those who consult them are people who are in difficulty or perplexity and who come to the bureau either for help in sorting out their problem so that they may be guided to the right source (or sources) of help, or because they have already consulted what seems to them

to be the appropriate authority but have not received the help they need, or have not understood what they were told. Printed material issued by Government Departments and official explanations are necessarily written in many cases in semi-official language which is often unfamiliar to the ordinary member of the public who thus needs an oral explanation to supplement what is written and a discussion of the purpose of the legislation and its application to his own individual circumstances. This can be given to him in the informal atmosphere of a bureau which in this way acts as a buffer between the individual and the official in the sense that it can help the individual both to clear his mind about his own situation and to marshal the necessary facts clearly so that the time of the official is saved when he is consulted. The bureau can also smooth the way by explaining to him the purpose and scope of the legislation and the limitations within which the Civil Servant who deals with his request must work.

6. Our experience in organising a national service, in recruiting and training both voluntary and paid staff, and in formulating national policy and standards, leads us to appreciate the very great difficulties of achieving a universal standard of behaviour and service throughout so vast an organisation as the Civil Service and we do not minimise the difficulties of administering a complex range of rules and regulations which impinge upon the lives of almost every citizen, and the difficulties of making these services intelligible and acceptable to enormous numbers of people of varying degrees of education and intelligence.

7. In relation to the size of the Civil Service and the vast number of individuals with which it deals, complaints are few and many bureaux speak warmly of the quality of service provided and the humanity with which it is administered. Bureaux workers appreciate that in the first instance they hear only one side of the story which may not always accurately represent the facts of the case. These however can be checked provided there is co-operation from the relevant department. Nevertheless genuine difficulties and complaints do arise from time to time as illustrated in the appendix to this memorandum. These cause distress and anxiety to the individual and bring into disrepute both the administration and the vast majority of Civil Servants who render unstinting service to the public. It is important therefore that criticisms should be voiced so that they may be examined and rectified.

8. Material contributed by bureaux for this memorandum is based on their experience of dealing with local and regional Civil Servants in the course of helping individual enquirers and arranging their own local training programmes. The memorandum also takes account of experience accumulated at C.A.B. headquarters over the last 27 years in working with Government Departments at national level: in seeking their help over problems referred to them by bureau workers which could not be resolved at local level; in seeking their co-operation in connection with the preparation of the Central Information Service which deals with a wide range of government legislation; in serving Government Departments as a channel through which information about legislation is disseminated; in collating and transmitting material to certain Government Departments at national level reflecting the impact of legislation for which they are responsible on the ordinary member of the public; and in seeking their help in arranging training at regional level in connection with major pieces of legislation such as

The Rent Act, 1965, and the Ministry of Social Security Act, 1966. It will thus be seen that this document is presented from the standpoint of C.A.B. headquarters and local bureaux both as "customers" of the Civil Service and as their "public relations agents."

II. C.A.B. Headquarters as a Customer of the Civil Service

9. We have already referred above to our function of disseminating information about legislation. It is essential if this function is to be properly executed, and if the Civil Servant is to receive informed support, for the Citizens' Advice Bureaux Service to have access to officials of senior status at headquarters of Government Departments, who can discuss not only what the statutory rules and regulations are and their application to a particular case, but the reasons behind their formulation and the advantages and disadvantages to different groups of people which were carefully weighed before the legislation was drafted. This need can be illustrated by reference to the integration of the Ministry of Pensions and National Insurance and the National Assistance Board into the Ministry of Social Security and the introduction of new regulations for administering what are now called Supplementary Benefits. If individuals are to be encouraged to use and accept the new machinery, bureaux workers must be in a position themselves to understand and be able to explain that the new system was introduced not as an administrative convenience, but as a deliberate effort to depart from the old "means test" concept of National Assistance and to make the new benefits acceptable as a right and available to those who qualify for them. Another illustration can be drawn from some of the transitional arrangements which apply between the pre 1948 social security legislation and the present National Insurance regulations which give rise in the present day to apparent anomalies and which are extremely difficult for recipients of benefit to understand, let alone accept. When, however, it is possible for C.A.B. headquarters to obtain for a bureau, and thus for a recipient of benefit, the reason for the formulation of the rule it is sometimes possible to put the matter into a different perspective for him and to enable him to accept the situation without retaining a sense of grievance.

10. Where possible C.A.B. headquarters approaches are made to central Government Departments through the senior officials who represent their Departments on the Executive Committee of the National Council of Social Service and who give introductions to the appropriate senior official with whom a direct contact is then made. In this way, particularly where the matter is one on which there is frequent need for consultation, a useful working relationship is often established over a period. The policy of transferring senior officials every two or three years sometimes causes some frustration to C.A.B. headquarters because at the end of that period the whole process has to begin again with a successor. Where this line of communication is not available difficulties sometimes arise in making contact in the first place with someone of sufficiently senior status (Administrative) to discuss both the factual position and the background thinking behind the legislation. It is necessary too to find officers who appreciate the complexity of many personal problems and who are willing and able to discuss with C.A.B. headquarter's officers matters which may not necessarily be for decision by their own Ministry but which have to be taken into account if an

individual is to be adequately helped and advised upon his next step. (See Appendix example 35¹.)

11. Sometimes an approach through the public relations department of the Ministry concerned is effective in achieving an introduction to an appropriate administrative officer. In other cases, however, it presents difficulties. Sometimes this is because C.A.B. headquarters is referred to someone who is not senior enough to be able to discuss the full implications of a particular problem. In other instances it is because the public relations department seems to act as a protective barrier between the outside world and other departments within the Ministry. The effect of this is that the question must be asked of the public relations department which, if the matter is complicated, will usually in turn consult the appropriate official in another department and return with the answer; if supplementary questions arise then the public relations officer must again consult the officer concerned and so on; and this kind of second-hand consultation is usually unsatisfactory.

12. Some difficulties too arise from the tendency of central Government Departments to work in watertight compartments. The Ministry of Housing and Local Government for instance is a Department with which C.A.B. headquarters has over the years established extremely close and satisfactory relationships in connection with general housing matters—partly due to the fact that over 285,000 enquiries per year received at local C.A.B.s concern some aspect of housing. We have received from this Ministry invaluable help in training bureaux workers in connection with all the major housing legislation—the most recent example being the Rent Act, 1965. Co-operation has been two-way in that, when that legislation was being drafted we were able to make available to the Ministry our experience of the kind of matters on which members of the public—both landlords and tenants—were experiencing difficulty, and we were invited and were glad to comment on the explanatory leaflets which were being prepared to inform members of the public about their rights and duties in connection with the Act. We were particularly glad to be able to help in this latter connection because, as a result of our close contact with ordinary members of the public we have now acquired a considerable experience of the impact (or lack of it) of the written word upon them and the kind of simple language which is understandable to them. Currently we have been invited by the Ministry for help in assessing whether the machinery under the Act is sufficiently well-known and understood by ordinary people, whether it is being used by those who are eligible or whether there are factors which deter them from exercising their rights.

13. One would expect, therefore, that having achieved this kind of co-operation with one section of a particular Ministry—co-operation we believe to be valuable to both sides—it would follow automatically that another Ministry (Land and Natural Resources) working very closely with it would be aware of the function of the C.A.B. service and its public relations value, but our experience in connection with the Land Commission Bill shows that this is not so

¹ Not printed.

14. This Bill is the concern of the Ministry of Land and Natural Resources who are working closely with the Ministry of Housing and Local Government—the latter being responsible we understand for the distribution of explanatory material on the subject. It seems likely that this measure will present many difficulties of understanding to individual members of the public and that if these are to be overcome much explanation of the reasons for the legislation as well as of its application will be needed. But C.A.B. headquarters have been unable to give all the help they might as this co-operation was not sought. Thus C.A.B. headquarters must take the initiative in seeking and offering help. They are willing to accept a measure of responsibility in this connection but they do not, understandably necessarily have sufficient inside knowledge of what is planned in a particular Department (as in the case mentioned above) always to make the offer in time for it to be most useful. Other examples could be cited where closer co-operation at an early stage would have resulted in better support for the Department concerned, better service to the public and less embarrassment for the C.A.B. service itself. Whilst, for instance, the C.A.B. service welcomes official announcements that information will be available for members of the public from C.A.B. it is desirable that there should be consultation with C.A.B. headquarters at a sufficiently early stage to enable them to ensure that bureaux are equipped with material in advance of the announcement.

III. The Local C.A.B. as "Customer"

15. Local bureaux report almost unanimously their experience of good relations with Civil Servants at local and regional level. They report the occasional problem which arises in getting into touch with the senior official dealing with a particular matter (see example 8¹) and the occasional example of rudeness or discourtesy. In the main, however, their approaches are to senior officials who seem unflinching helpful both in connection with individual cases and training of bureau workers.

16. They say that sometimes surprise is expressed by Civil Servants at the variety and range of enquiries with which bureaux deal which seems to indicate that some of them are not as fully aware of the purpose and scope of C.A.B. as they might be, nor of the value of C.A.B. to themselves as a line of communication to and from the public, and as their public relations agents. But there are also instances reported of bureaux having been asked for help in giving information about the locality to newly appointed officials and one or two have been invited to give talks about their work to local offices of Government Departments, which illustrates recognition of C.A.B. resources; whilst a number of bureau workers serve as representatives on advisory committees linked to Ministries, e.g. the former Ministry of Pensions and National Insurance Advisory Committees, local employment committees of the Ministry of Labour, etc. Those who do this work feel they can make a useful contribution because of their understanding of inarticulate people, though one or two report that latterly the function of these committees has become much restricted, partly because no doubt the very fact of their existence makes their actual work dwindle.

¹ Not printed.

17. The comment is made by some bureaux workers that much depends on the chief official in a particular local office. His attitude generally determines the co-operation received at all levels and a change at the top may therefore radically affect relationships with the bureau—either for better or worse. A number of bureau workers, however, contrast their experience when making enquiries of Government Departments in their official C.A.B. capacity with that when they make enquiries as ordinary members of the public (see para. 18 below) and have to use the "Enquiry Desk" approach. References are made here to long waits and rushed interviews.

IV. The Individual as Customer

Counter and Reception Staff

18. Some bureaux report complaints from enquirers about rudeness and discourtesy and about difficulty in obtaining the information they require from local offices of Government Departments. Examples (see 1, 2, 12, 15, 21, 22¹) quoted in the appendix illustrate this. As we have already mentioned some bureau workers themselves note a difference between the help they receive when seeking information as bureaux and the response they meet when they enquire as ordinary individuals.

19. We are particularly concerned to note an increasing number of complaints from those who have to claim supplementary benefits from the former National Assistance Board (now Ministry of Social Security). We recognise that this Department has an extremely difficult task in that it must draw a delicate line between the elderly and infirm who will always require assistance and the able-bodied who are temporarily in need of assistance who must be encouraged without too much delay to fend for themselves (see examples 10 and 11¹). We know too that they have a responsibility for identifying and discouraging a small minority of layabouts and scroungers and that the Department has sometimes to face uninformed criticism from the press and other sources that it is handing out largesse to the work-shy who could well support themselves. Their task in distinguishing this small group from those genuinely in need of assistance—some of whom may have been reluctant to seek it—is an unenviable one requiring great skill and special training. We know that in the main officers of this Department carry out their functions with humanity and efficiency. Nevertheless some of the examples quoted by bureaux from time to time give grave cause for concern (see examples 1, 4, 6, 13, 45¹) and we feel bound to draw attention to them.

20. There are also references to the fact that unless the individual knows the right question to ask of a Government Department he often does not receive the information he needs. Many enquirers do not have sufficient knowledge of the subject to frame the right questions. In this connection the difficulties of the aged in relation to the Inland Revenue Department are mentioned in particular. Many elderly widows, for instance, who have not previously dealt with income tax matters seem panic-stricken when they receive a request for details of their income for income tax purposes and are quite unable to cope with

¹ Not printed.

producing the necessary information. The point is also made that although a specific question may be answered, the counter or reception staff do not see the wider implications of a particular problem and do not go on to volunteer information which is relevant.

21. Where an enquirer is dissatisfied with an answer he receives at the reception desk he sometimes has difficulty in getting past the staff there and discussing his problem with someone more senior—even if he realises that he has the right to request this and many individuals are too timid to do so in any case. Whilst we recognise that senior staff must be protected it is in our view important that an individual who feels that he has not received adequate help should be encouraged to request an interview, if necessary by appointment, with someone more senior. Some difficulties arise because the individual is himself distressed and/or incoherent, aged and infirm, deaf, or unused to official language, and most bureaux report that when they are consulted about a problem of this kind an approach to a senior official usually brings prompt attention to the difficulty (see examples 1, 2 and 4¹).

22. Lack of privacy for interviews and lengthy waits are other complaints frequently made.

23. It is our view that some of the difficulties mentioned above would be overcome if there were greater recognition within the Civil Service firstly of the vital importance of those officials who act as counter and reception staff, and secondly of a fact accepted for many years in the voluntary social service field—that interviewing is an art and that dealing with the questions and problems of ordinary members of the public who have no specialist knowledge of the subject under discussion is a skill for which careful selection and training is required.

24. Counter and reception staff are frequently the only Civil Servants with whom the vast majority of members of the public have any direct contact and for this reason the importance of their being people of experience, maturity and sensitivity cannot be overstressed. That this is not so at present is borne out by the fact that the majority of complaints of rudeness or unhelpfulness are from those members of the public who have only made contact at that level. It contrasts with the reports of the almost unfailing humanity and helpfulness which are meted out when senior officials are concerned.

25. At present it seems that in some areas reception and counter work is regarded as carrying little status and is allocated to the most junior staff as work on which they can "cut their teeth" as part of their training. In such cases rudeness on the part of a Civil Servant may stem from his own lack of confidence and because he becomes flustered when pressed by a member of the public to give a decision which is not within his scope or experience (see example 45¹).

26. It appears too that reception and counter work is not given priority over other work for those concerned with it. Whilst the difficulty of separating counter and desk work completely, especially in a small office is recognised this could account for a number of complaints since it is extremely difficult for an

¹ Not printed.

official to deal courteously and sympathetically with an enquirer who may be confused and possibly verbose if he is concerned also with the pressures of routine clerical work and is conscious that his superior may judge his efficiency by the rate at which arrears of work accumulate on his desk.

Communication

27. It must be remembered that the majority of the population of this country leave school at 15. Many of them thereafter use only the manual skills in their daily work and have little or no contact with the written word or with more than a very limited vocabulary of spoken English. Whilst we recognise that complicated legislation must necessarily be described in formal language and may often inevitably give rise to jargon, it is important to remember that neither formal language nor jargon is understandable to the individual member of the public who often has very little detailed knowledge of the complex legislation about which he is enquiring. In this connection it is perhaps relevant to remember that there are over one hundred leaflets issued for the information of the general public explaining different aspects of the National Insurance Schemes alone all of which carry the warning:

"This leaflet gives general guidance on the subject. It must not be treated as a complete and authoritative statement of the law on any particular case."

This example is used here to emphasise the enormous range and complexity of just one aspect of legislation which impinges on every citizen and about which he needs to have information in an easily understandable form. In fact, whilst this material does not meet every need the efforts of the Ministry of Social Security are in striking contrast to those of some other Departments where the general information available is often sparse in quantity and not easily understandable, e.g. Inland Revenue.

28. Many official terms mean different things in different contexts and even to different Government Departments. The use of terms such as "determined" which may mean "assessed" or "decided" in one context, and "finished" in another, and "discharged" when what is meant is "paid" in one context and "discontinued" in another, are often completely incomprehensible to the ordinary member of the public (see also example 33¹).

29. One bureau comments that there is an increasing tendency in some Departments to deal with enquiries by simply handing out a leaflet; but very often it is necessary to supplement this, if the necessary information is to make an impact, with an oral explanation in extremely simple language. This bureau quotes the example of a woman whose husband had been seriously injured at work and who had enquired at the then local Ministry of Pensions and National Insurance office about compensation. She was told "that is nothing to do with us" and was handed a leaflet. She complained to the bureau bitterly that she didn't understand the leaflet and said "You used to be able to talk to the man there—now they just push a leaflet at you". This bureau also says "there is no doubt that the efficiency of many Departments is beyond question but these same Departments appear to lack an understanding of the hopes and fears of the individual seeking their aid. They cope but do they care? . . ."

¹ Not printed.

30. We accept, however, that there will always remain those who, in spite of having been courteously and efficiently dealt with by Civil Servants, still do not feel that they understand the situation or feel that the official has been unhelpful. This may be because of their state of mind (many enquirers for the "welfare services" make their first approach to a government office at a time of bereavement or domestic difficulty such as sickness or unemployment); because they can take in only a small part of what is said to them at one time; because they are deaf and do not like to say to the official that they have only heard part of what was said; because they are confused or incoherent and do not present the facts of their situation clearly; or simply because they regard all officials as *THEY* and need reassurance and confirmation of the position from someone they recognise as being independent. One bureau says of a number of enquirers "their mental capacity is such that they can only catch a glimmer of what is involved. The C.A.B. is able to spend more time in discussing their problem in simple language. The result is often that the enquirer concludes by saying 'if you say it is all right, I accept it'".

Hours of Opening

31. There are frequent references to the difficulty of members of the public in gaining access to Government Departments. The comment is made that except for shift and part-time workers, it is virtually impossible for people in employment to call at a government office unless they take time off from work, and that there is insufficient recognition of this difficulty amongst the staffs of government offices (see example 39¹). One bureau comments that there is virtually no access to the "welfare services" in an emergency from Friday evening to Monday morning. Even where offices are open on Saturday mornings, very limited numbers of staff (sometimes only one) are available, often of junior status. It is, of course, recognised that Civil Servants have the same right to specified hours of work as anyone else. At the same time it is suggested that the possibility should be examined of devising systems such as staggered times of opening in order to make government offices readily accessible to the public whom they serve. In addition to the "welfare services" such as Ministry of Social Security, reference is particularly made to Inland Revenue and the Ministry of Labour in this context.

32. It is suggested in some cases that rigidity in relation to their own hours of opening is sometimes accompanied by a lack of regard for, or even knowledge of, other people's working conditions and lack of security in employment (see example 39²). One bureau comments: "We have had from time to time a number of distressing cases referred to us by the police on Saturday because all other doors are closed until Monday. Welfare officers and others concerned are most willing to do what is possible from their homes (and telephonic contact is nearly always possible) but these officers too must need to attend to their private affairs on Saturday and often when telephoned, they are out. The solution would be, of course, for Civil Service and local authorities to keep their offices open with a skeleton staff (including some senior staff) on Saturdays in order that all urgent cases may be dealt with." (Example 18¹ is quoted as an illustration of the difficulties.)

¹ Not printed.

Exercise of Functions of Some Departments on a Regional Basis

33. Bureaux were specifically asked whether they had any experience of difficulties arising where some functions of a Department were exercised on a regional basis. The only service mentioned in replies on this point is the Wages Inspectorate and Industrial Relations Department of the Ministry of Labour. A few bureaux reported that no difficulties arise from this but a much greater number refer to the problems which this raises in that enquirers either have no direct access to the office which can best advise them or must seek advice by correspondence with its attendant difficulties (see also para. 35 below). Several bureaux refer to the fact that there appears to be difficulty in communication between local employment exchanges and the Ministry's regional offices and mention that enquirers are sometimes referred by local employment exchanges to the bureau with problems which should properly be dealt with by the Wages Inspectorate or the Industrial Relations officer (see example 38¹).

Centralisation and Siting of Offices

34. Whilst it is recognised that centralising offices in one place may have advantages to the taxpayer in economy of staff and expensive equipment such as computers, there are frequent references to the difficulties which arise when the affairs of an individual are dealt with from a town some distance away, thus prohibiting personal contact and discussion with the individual (see example 21¹).

35. The Department most often mentioned in this context is Inland Revenue. Although some bureaux cite examples to show that difficulties need not arise and that some officials make every effort to ensure that they do not, (see example 32¹) other examples (see 20, 28, 29, 31¹) illustrate quite clearly that the situation causes considerable difficulty which is aggravated by delays in dealing with correspondence by this Department (see also para. 38). On the other hand, one bureau comments that there are some advantages in having a situation dealt with by correspondence since this enables the bureau to advise an enquirer more readily. In fact, this bureau comments that they are rarely able to advise an enquirer about a tax problem unless he is able to produce correspondence on the matter. In the main, however, bureaux comment that a situation which requires matters to be dealt with by correspondence is particularly difficult for those who do not find letter writing easy, who do not therefore express themselves well when they seek information by letter, and who very often do not understand the answer when they receive it!

36. It is also suggested that the difficulties are complicated by the fact that many enquirers have difficulty in understanding the subject of income tax in any case and this suggests the possibility that apart from the complexity of the subject there is need for clearer explanatory material to be available—with due regard to what has already been said about the use of simple English!

37. Even when matters are dealt with by a local office it sometimes seems that the siting of such offices creates difficulty both in relation to transport services and with regard to the expense involved in travelling to them (see example 32¹).

¹ Not printed.

It is suggested that there may be a need for discussion with local interests when the siting of local offices is being planned—particularly when re-organisation is involved. The Croydon bureau, for instance, cites the example of the Croydon office of a local office of a Government Department being closed and the affairs of local people having to be dealt with at Surbiton. Although the town is within the same county the journey is a difficult and expensive one necessitating almost a whole day's travelling time.

Delays

38. The Inland Revenue comes in for some criticism because of considerable delays in dealing with correspondence. One bureau has suggested that frequent alterations in the tax legislation may be a cause of this and recommends greater stability. There is also some resentment on the part of some taxpayers of the fact that when errors are discovered to have been made by Inland Revenue no apology is offered; and also some feeling that it is unfair that taxpayers are subject to penalties if they do not supply information required by Inland Revenue within a prescribed time when the Inland Revenue itself is under no similar obligation and in fact is often extremely dilatory. Delays revealed in some of the attached examples (whatever the reason for them) do in fact bear hardly on the taxpayer.

References to other Departments when an enquirer's problem relates to more than one Government Department

39. Bureaux were asked whether they had experience to suggest that enquirers of one Government Department whose problem involved other Departments or organisations were referred to the other appropriate offices.

40. Bureaux seem to be about evenly divided in their opinions on this point. Some are satisfied that enquirers are referred to other Departments, or at least that there is a recognition of the fact that the enquirer will need further advice and help and an attempt made to put him into touch with the C.A.B. so that his problem can be looked at as a whole and the various sources of help and advice co-ordinated. A number of bureaux, however, feel that insufficient efforts are made in this direction. There are references to the number of enquirers receiving National Insurance benefits who still do not know that they are also entitled to Supplementary Benefits from what was formerly the National Assistance Board—this in spite of the publicity which has been undertaken by the Board in recent years. However, these particular difficulties may soon be overcome by the co-ordination of these two Departments into the Ministry of Social Security.

41. There are also references to the occasional lack of co-operation between e.g. children's departments and the National Assistance Board, for instance, in relation to motherless families.

The individual's right to appeal against official decisions

42. Bureaux were asked whether in their experience Civil Servants accept responsibility for encouraging aggrieved individuals to use their rights of appeal

where these exist, and whether individual members of the public are adequately informed about these. These comments can be summarised as follows:

- (a) no evidence of either encouragement or discouragement;
- (b) very little direct attempt is made to draw the individual's attention to rights of appeal;¹
- (c) information about rights is not deliberately suppressed although clearly many people are ignorant of them;
- (d) some Civil Servants resent any suggestion of appeal as a personal reflection on their efficiency and judgment;
- (e) some would-be appellants are discouraged because officials have advised them that although appeal machinery exists it is not likely to result in any change in the decision—example 9¹, ² shows that this is not always good advice;
- (f) one bureau draws a distinction between recipients of National Insurance benefit who generally seem to be aware that they can appeal, and income tax payers who often seem to be unaware of their rights unless their affairs are being professionally handled;
- (g) mention is again made that information in printed documents makes little or no impact unless accompanied by an oral explanation.

43. Our experience is that bureaux enquirers are generally reluctant to face appeal procedures—even though every effort is made at administrative tribunals to encourage an informal atmosphere. Nevertheless to the kind of people we have described in paras. 27 and 30 above, the experience is frightening and only a little discouragement will lead them to abandon their rights, even if they are sorely dissatisfied with the official decision. It is therefore in our view extremely important that their rights should be carefully explained to them and that every effort should be made to help them to reach a considered decision on whether they should exercise these rights, if necessary by referring them to a C.A.B. The C.A.B. can for instance describe the tribunal, who will be present at the hearing, and the function of the various people. In some areas they can arrange for a "friend" from the C.A.B. to accompany the appellant and this kind of support is often decisive in helping a nervous appellant to exercise his rights.

44. Where this is done some bureaux refer to the help and co-operation which they have received from Civil Servants in helping enquirers to prepare appeals which can only result in the best possible service being achieved for the individual. One bureau says that in giving the bureau advice about an enquirer's appeal against a tribunal decision that she was fit for work, the National Insurance Officer "although strictly on the opposite side, was well aware of the enquirer's rights and appreciated the bureau's role in providing support for her". The following is a quotation from another bureau report which illustrates the kind

¹ It is recognised that the information is usually contained in printed forms notifying official decisions. Often, however, the information is in small print and as is said earlier the written statement makes little impact unless care is taken to draw special attention to it and to discuss what is involved.

² Not printed.

of co-operation which exists between bureaux and Civil Servants in some areas: "I consulted the manager of the Ministry of Pensions and National Insurance about an enquirer's Industrial Injury Assessment. He advised an appeal. The appeal was turned down but I received full information from the manager concerning this. He also gave me advice on how to help the client concerning his mental attitude towards his disability and the steps that could be taken if the injury worsened or his income were reduced."

V. Mobility within the Civil Service and between the Civil Service and other Employments

45. Most bureaux obviously feel that their experience as bureau workers does not qualify them to express general opinions on this point. They recognise that the advantages of mobility between the Civil Service and other employments have to be weighed against the importance of providing a stable service to the public which might be made more difficult if constant training and re-training were required as a result of frequent movement between the Civil Service and outside employments. Other things being equal, however, there is some measure of opinion about the insularity of the Civil Service at present and a suggestion that it might benefit at higher levels from the introduction of people with commercial experience.

46. Apart from this, however, bureaux feel as a result of their direct experience that so far as the vocational welfare services are concerned, e.g. some aspects of the Ministry of Social Security, Disablement Rehabilitation Officers of the Ministry of Labour, etc. there could, with advantage, be mobility between these Departments and the statutory and voluntary social services outside the Government, particularly bearing in mind the need for those administering these services to have a background of social work training.

VI: Concluding Comments

47. Having regard to the notes supplied by the Committee in amplification of its terms of reference we would like to draw special attention to the following points which we feel emerge clearly in this memorandum:

(a) Qualities and skills of counter and reception staff

These members of staff are key people and their approach to their job can be vital to the smooth administration of laws and procedures, to the acceptance and use of these laws and procedures by the public, and to the feed-back of information to the department. They therefore need to be people of experience, maturity and sensitivity; who have sufficient knowledge of statutory and voluntary provisions to be able to see the complexities of a problem and make referrals; and who have received special training in the art of communication, recognising that jargon and officialese is inevitable in any department or profession, but is unintelligible to the ordinary man.

(b) *The written word is not enough*

The evidence shows that letters and leaflets need oral reminders, explanations and reassurance, if Government decisions and services are to be understood by ordinary members of the public.

(c) *Recognition of voluntary organisations*

Civil Servants should have an understanding of the flexibility of thought and action which is open to voluntary organisations and which often enables them to find unorthodox solutions to sometimes very difficult problems.

(d) *Co-operation with Citizens' Advice Bureaux*

A greater understanding by Civil Servants at all levels of the function of C.A.B. as one of their allies in public relations, as a line of communication between them and the public, and in co-ordination, would help to "oil the wheels of the administrative machine". The determination of C.A.B. to maintain its independence is based upon the strength they can give to "authority" as well as to "individuals". In thinking of the future, with the responsibilities of Government widening, the inevitable growth of complex services, the impersonal computers, it is hoped that the Committee will take due account of the contribution which the C.A.B. service can make to society.

MEMORANDUM No. 100

submitted by

THE NATIONAL COAL BOARD

January, 1967

1. The job that Civil Servants should be doing can be broadly divided into two categories.

Firstly, they should ensure that Government policy is implemented efficiently, effectively and fairly.

Secondly, they should ensure that Ministers receive the best possible advice on the formulation of policy.

As a nationalised industry, we have a particular interest in the relationship between Government and public enterprise.

2. The Implementation of Government Policy

The bulk of Civil Servants are engaged in this aspect of Civil Service work. Whereas in most of industry rival firms provide the competition necessary to maintain efficiency, the Civil Service, because it has no rivals, lacks this spur.

- (a) Outside management consultants should be brought in on a regular basis to advise in the administration of some Ministries. Urgent consideration should be given to saving Civil Service time by combining certain functions of the various Ministries in their contact with members of the public. For example, subject to Government policy, Inland Revenue and social security functions could be brought closer together.
- (b) Industrial firms and possibly universities with the right experience could be asked to take over on an agency basis some of the jobs done by Government. For example, the National Coal Board, by reason of its experience in land restoration could be more closely involved in Government policy on the rehabilitation of derelict industrial areas.

3. Advice to Ministers

It is important that senior Civil Servants who give advice to Ministers should have breadth of vision, variety of experience and should be able and willing to use expert opinion.

- (a) Recruitment to the administrative grade should come from the broadest possible band of men and women of university graduate standard. The Colleges of Advanced Technology and the new universities should become fruitful fields for recruitment. The Civil Service should be always on the look-out for different types of mind with similar ability

in order to produce the variety needed in the Civil Service. The standardised written examination with its common entrance procedure should be abandoned as it is likely to produce only a standardised Civil Servant. In its place there should be substituted a more flexible recruitment formula. Entrance to the Civil Service should be more along a broad highway than a narrow track. The direct recruitment of people with industrial and academic experience is a welcome step along these lines.

- (b) Broadmindedness in the Civil Service has, in the past, been built up by frequent and radical changes of job. Lack of continuity and shallow understanding are undesirable side effects of this kind of staff policy. Wherever possible Civil Servants should stay longer in post and senior Civil Servants should be allowed good notice of changes of job and there should be adequate provision for a hand-over. A carefully planned programme of training should take the place of frequent changes of job as the method of widening vision. In the National Coal Board we do use planned job changes to provide the right breadth of experience, but in recent years we have come to recognise the importance of Staff College courses to provide the right outlook for management. Consideration should be given to Civil Servants being taken away from their desks at intervals if possible to attend Staff College courses on the latest administrative techniques and the changing social and industrial climate.
- (c) Young Civil Servants should be seconded to industry for a couple of years and should be given a real job to do. If this could be organised in a job exchange scheme, then both industry and the Civil Service might benefit.

4. Nationalised Industry and Government

Relationships between the N.C.B. and the Civil Service have been good and the difficulties that have arisen from time to time have never been insurmountable. However, there are one or two points which could bring about improvements in our relations.

- (a) The nationalised industries have almost a monopoly of expertise in their own particular fields. This is especially true of coal, electricity, gas, and railways. This makes detailed control by the Civil Service very difficult indeed. Industrial firms, whether private or public, have acquired an autonomy which is based upon their almost exclusive possession of expert advice and information. This should be clearly recognised and the Civil Service should confine their control to broad financial, output and manpower objectives, almost along the lines of a holding company. Enterprise and responsibility would be strengthened if all commercial decisions, apart from those which affect national planning, should be left to the experts within the nationalised industries.
- (b) The nationalised industries should be allowed direct access to the Treasury and other Government Departments as well as their parent Ministry. Civil Servants should not be asked to relay a case second

hand and alone. Nationalised industry officials should be able to speak to other Government Departments as part of a mixed manned team with Civil Servants from the parent Ministry.

- (c) Teams of Civil Servants at present shadow the different departments within the nationalised industries and, as a result, there arise different sets of rival figures which do not always match. If Civil Servants approached nationalised industries more frequently and used the information on trust there would be no need for unnecessary duplication. Very often the Civil Service does not make the best use of the information it has, nor is the information from various sources co-ordinated properly. This is becoming increasingly obvious as information comes to be handled more and more with the use of very expensive computers.
- (d) In those cases where Ministries are responsible for groups of industries in a related field (e.g. Transport and Power) the co-ordinating function of Civil Servants requires emphasis. While it may be necessary for administrative reasons to have separate divisions responsible for particular industries, this type of vertical organisation requires to be counter-balanced horizontally. This is particularly important in the field of capital investment, but can also apply to social matters, pricing policies, etc. From the individual nationalised industries' point of view, what is required is that somebody should be regularly assessing the overall impact of major decisions in any particular industry. For example, substantial investment in collieries could make little sense if it is followed by investment decisions in power stations which deprive those collieries of their principal market. Even though the economics of running the power stations might thereby be improved, the total cost to the community in terms of abortive investment, labour redeployment and social assistance could well exceed that benefit for a number of years. This is not to say that technical progress should be impeded, but it is to emphasise that the "total sum" approach should be one of the main functions of the Civil Servants concerned.
- (e) Civil Servants in the parent Ministry of the nationalised industries should remain in post for as long as is necessary for them to build up a suitable body of knowledge, even if they cannot match the expertise of their opposite numbers in the industries. An exchange scheme similar to that mentioned in 3(c) should be instituted.

MEMORANDUM No. 101

submitted by

THE NATIONAL COUNCIL OF SOCIAL SERVICE

December, 1966

1. The National Council of Social Service, established in 1919, is the central non-governmental agency for co-operation and co-ordination in social welfare and in many other fields of activity undertaken by voluntary bodies. It is a representative body, developing co-operation between voluntary societies and statutory authorities through consultation and joint action. It provides information, carries out research, initiates experiments and undertakes promotional work, in this country and overseas. The Council and its associated groups (see paragraph 6) for which it provides the secretariat, have local autonomous counterparts pursuing similar policies in their own areas.

2. In practice this means that the N.C.S.S. and its associates are interested in a wide range of statutory social services, whether centrally or locally performed: they are also interested in a still wider range of social action which is not a matter of statutory responsibility.

Structure of the N.C.S.S.

3. The structure of the N.C.S.S. reflects this wide-ranging concern with the purposes and administration of the statutory and voluntary social services in both urban and rural areas. Its large membership includes a majority of the leading national voluntary organisations, representatives of county and local affiliated bodies, local authority associations, and advisory members appointed by government departments. On important issues affecting charities and voluntary organisations as a whole it provides special means for consultation and joint action; as for example, in the recent negotiations with H.M. Treasury on the Selective Employment Tax. For the discharge of specific roles it has developed a method of work through associated groups which are executively responsible for the policy and activities falling to them. They are themselves representative bodies, each with its own constitution, providing for the necessary consultation and co-operation between the statutory and voluntary services in their particular spheres. The N.C.S.S. employs all staff and provides for the direct representation on its Executive Committee of these various interests. Its information, publishing, legal and financial services are available to each of the groups. The general aim is to provide a system of organisation which provides freedom to the groups to serve their respective constituencies, guided by a sense of common purpose and community of thought within the general principles of the N.C.S.S. as a whole.

4. A substantial number of paid staff is required to provide the skill and guidance which must be available to the groups and committees in discharging their tasks. Not the least of the duties of some of these officers is to be in close touch, whenever possible, with the officers of central and local government and through these contacts help to maintain the good understanding and relationships essential to fruitful co-operation. While there are some similarities in our staff structure (as there must be in any policy-making organisation) to the Civil Service, the differences in scale and in the monetary resources available are so great that we do not think that we can offer any useful comparisons.

5. The income of the N.C.S.S. is derived from three main sources:

- (a) from individual and corporate donors, including charitable trusts;
- (b) from payment for agency and administrative services;
- (c) from government grants.

Grants previously provided direct by the Ministry of Education and Ministry of Health are now consolidated in a single grant from the Ministry of Housing and Local Government. Direct grants are provided through the Development Commission and the Board of Trade for special purposes. In all cases these grants are negotiated with the relevant government departments and call for periodic discussion on policy and activities.

6. The principal associated groups are as follows:

Standing Conference of Councils of Social Service

Rural Committee (Rural Community Councils) to which are linked:

- Standing Conference for Amateur Music
- Standing Conference of Drama Associations
- Standing Conference for Local History

National Federation of Community Associations

National Citizens' Advice Bureaux Council

National Old People's Welfare Council

Women's Group on Public Welfare (including the leading women's organisations)

National Association of Women's Clubs

Standing Conference of National Voluntary Youth Organisations

Central Churches Group (including representatives from the main religious bodies)

British National Conference on Social Welfare

British Committee for the International Exchange of Social Workers and Administrators

Standing Conference of British Organisations for Aid to Refugees

Standing Conference of Voluntary Organisations Co-operating in Overseas Social Service

Contacts with Civil Servants

7. It will be apparent that the work of these groups covers a much wider range than the services usually described as the statutory social services. In particular

they are engaged in marginal development in fields not yet covered by central or local government activity, where the interest of a Department may wax or wane according to Ministerial policy. Moreover, they are concerned with a number of services such as education and housing, which are administered by local authorities but for which Civil Servants have great responsibilities both in policy and administration. They attach importance to direct contacts with the appropriate Civil Servants concerned with these services and are very ready to take part in joint discussions with them and with the responsible local authorities, in order to ascertain in what ways they can most effectively help. Moreover, in addition to these specific interests, the Council are vitally concerned with the over-all problems of social planning which will be generally accepted as being of national importance in their own right, and as an inevitable corollary of economic planning. Since the establishment of the National Council in 1919 they have assigned the widest meaning to their use of the term "social services".

8. Their relationships with the Civil Service lie therefore in the fields of administration of established services, in the policies for their amendment and for the introduction of new services or indeed of new approaches to social problems, using these words in their widest sense. There are two separate levels of contact—one at the centre with senior Civil Servants and another with executive grades in current local administration. It is the consistent objective of the N.C.S.S. throughout these contacts to co-operate with the Civil Service and to establish at all appropriate levels an atmosphere of mutual understanding and a full exchange of ideas and information.

Contacts in Executing Established Policies

9. The contacts of the N.C.S.S. and its associated groups with the Civil Service on the managerial side have increased in both width and depth with the increased acceptance of responsibilities by the central Government, particularly as a result of the legislation passed during the last twenty years. The N.C.S.S. have welcomed these changes. Both their own pioneering work and their knowledge of work carried out by other voluntary organisations had made them all too conscious that for many human needs, such as maintenance and personal health, the resources of voluntary organisations, however skilfully administered, were inadequate to cover the full need. The acceptance of Government responsibility for basic maintenance, for hospitals and the general practitioner service, has transformed the situation. It has meant that voluntary organisations, without weakening the specialised services which many of them were created to perform, can now look at their work from a different angle: instead of voluntary resources being overwhelmed in the attempt to provide nation-wide assistance for the poor and the sick, they can devote their energies and operations to needs which are found not to be covered by the statutory services.

10. The extension of the work of the Civil Service in many fields of social service has led to increased contacts between Civil Servants and voluntary organisations, both centrally and locally. What seems important to the N.C.S.S.—if the best use is to be made of available resources—is the building up gradually of an automatic exchange of information and knowledge between Civil Servants and voluntary organisations who work in the same or related fields of social

work. Contacts centrally on the managerial side are for the N.C.S.S. predominantly between heads of Departments and either Assistant Secretaries or Principals in the appropriate Government Departments. Heads of N.C.S.S. departments have expressed the view that their contacts in the Civil Service are in general readily approachable, helpful and co-operative: they make the point, however, that continuity of mutual understanding is hampered by the rapidity of transfers within the Civil Service. The general experience is also that there are easy contacts between Civil Servants working at regional and local levels and the local organisations with which the N.C.S.S. are affiliated.

Contacts in the Formation of Policy

11. On broader issues the N.C.S.S. may say at once that when such questions arise the approaches to and from Civil Servants in Whitehall have been easy and uninhibited and at the appropriate levels. They have been impressed by and appreciative of the amount of care which is taken to understand—and to understand as sympathetically as possible—the problems and points of view of the N.C.S.S. We have the impression, however, that the implications of the Government's announcement, welcomed on both sides of both Houses, during the passage of the Charities Bill 1960, of the principle of co-ordination of activities by voluntary and statutory services on terms of equal partnership in common fields of welfare, have not yet been carried into the thinking of the Administrative Class, particularly of those members who have not had much experience of the working of such arrangements in an established service. It is perhaps inevitable that their first concern should be the operations for which their Minister is responsible; but it sometimes seems that thought for the work and position of the voluntary bodies, which are almost invariably first in the field into which statutory operations are to be extended, is liable to be an afterthought. Again, it seems frequently to be assumed that voluntary bodies are free to change their objects in order to fall in with Ministerial policy. Often this is not so; where the use of voluntary funds is in question, those responsible are bound to apply them to the purposes for which the donors gave them and no other, and it is the constitutional function of the Attorney General to enforce this duty. They have no right or power to use them for any other object without the authority of a *cy-près* scheme made according to law.

12. So too, the framing of recent fiscal measures appears to have been carried to points where Ministerial approval was obtained seemingly without advice on the probable effects of these measures on that sector of the national social services carried on by voluntary bodies. Representations made by us to Ministers met with a ready reception and our points have been met, but it seems unfortunate that a fuller understanding of the position did not avoid putting the voluntary movement repeatedly on the defensive. If partnership is to be more than a word, the growth of mutual confidence should not be endangered in this way.

13. Failures of understanding of this kind seem to be defects of training and experience and we hope the Committee will recommend that they should be remedied. We make some suggestions on this subject in later paragraphs.

14. Policy may relate to problems arising out of the administration of social services which form or are akin to responsibilities already exercised by Civil

Servants. Experience gained by Civil Servants and voluntary organisations as to gaps and inadequacies in existing legislation, usually gained locally but studied and co-ordinated centrally, is one of the reasons why the N.C.S.S. would welcome consultation by the appropriate Government department at the time when new or amending legislation is at the formative stage, when it will usually be possible to cover points more easily than by seeking amendments after a Bill has been introduced. This consideration applies both to amendments of existing legislation and to new legislation. In the former case it may usually be expected that there is an existing framework for the administration of the service, and that the usual points for discussion will be on the form and content of the amendments to be made in the service itself. In legislation relating to a substantially new service it will sometimes happen that pioneering has already been undertaken by a voluntary organisation. Experience shows that consultation by the Civil Service at the earliest possible stage has enabled the Government to profit by the experience which has been gained and to ascertain the part which voluntary effort can continue to play after the service has become in one way or another the subject of public responsibility.

15. We recognise that Civil Servants must keep silent about their Minister's intentions about pending legislation until he authorises them to make them known, but the process of consulting local authority associations or their leading officers on a personal basis in complete confidence is well established; we would hope that the unique position and the record of the N.C.S.S. make it a reasonable request that the Council, or the Director on a personal basis, should be regarded as equally meriting consultation in confidence on matters that affect the interests of the voluntary movement. Often consultation can find ways round points of difference that otherwise might lead to opposition to a Bill. Similar consultation in regard to regulations and circulars is equally valuable. The importance of such consultation is not always recognised though it is usually less liable to involve difficult issues of confidence.

16. A similar need for consultation arises in regard to the broader question of social planning which appears to be a natural corollary of the interest now being taken in economic planning, particularly by the establishment of Regional Councils and Regional Boards. There has been no difficulty in establishing friendly contacts in the regions between the new bodies and representatives of the N.C.S.S. The N.C.S.S. would, however, emphasise that they are vitally interested in these wider questions of social planning and they would wish to take what formative part they can. They would wish, therefore, to be kept in touch as soon as is possible with the content and form of any developments projected by the Government in this field, so that appropriate discussions can take place between themselves and the Civil Servants concerned.

17. A particular problem which may be said to leap to the eye is that of the large-scale planned movements of population to be carried out by organisations specially established by the Government. Past experience of such operations has already shown that the newcomers are not likely to know one another or the inhabitants of the area into which they come, and that the planning and initiation of services for social needs ought to be set on foot before a large population arrives. This makes a special call on the developing organisation, the local

authorities and the voluntary organisations of the area. The N.C.S.S. hope that the initiative will be taken by the chief officers of the developing organisation (whether or not they are technically classified as Civil Servants).

18. Ministries and legislators have been increasingly concerned with the development of social services in their widest sense. There has been a consequent change in the work of Civil Servants and in their attitude towards it. What has been already said illustrates the very wide range of social problems in which they have already come to play a positive part, and the experience of recent years suggests that both the scope and the intensity of this interest is tending to expand. In most of the fields of this interest voluntary organisations have had and continue to play an active part, as they do in many other ways which promote the objectives of national policy though they have not become the subject of specific legislation.

19. The N.C.S.S. have, as already indicated, a very wide range of interests. It is their desire to work in co-operation with the Civil Service both in administration, which may be mainly regional or local, and in policy, which will be entirely central. For this purpose not merely consultation and normal contacts will be required, but the establishment of a mutual understanding. This depends on the quantity and particularly the quality of staff available for this purpose both in the voluntary organisations and in the Civil Service, and on the degree of receptiveness and mutual understanding which they bring to this work. Perhaps at this point we should emphasise that nothing in this paper suggests any alteration by the interposition of the N.C.S.S. in established arrangements where close co-operation has already been achieved between the Department concerned and the voluntary bodies active in its field of welfare. But it is common knowledge that, whereas in some fields (e.g. the welfare of the blind) the co-ordination of statutory and voluntary bodies is virtually complete, in other fields it has a long way to go.

Conclusions

20. Most of the contacts between the N.C.S.S. and the Civil Service are at the administrative level and the N.C.S.S. agree that this system is appropriate. With the advances in physical and social sciences, both voluntary organisations and the Government Departments with whom they are normally in contact will no doubt include a number of officers with a background of professional training as well as those who have acquired their expertise by long experience of practical work. Whether the former in the Civil Service are advisers only or whether they also take part in executive administration is not a matter on which the N.C.S.S. would wish to express any general views. Within the N.C.S.S. the heads of departments have a mixed background of training and experience. The best results are likely to be obtained if they have free contacts with experts and administrators at comparable levels.

21. Mutual understanding is most readily secured if both parties have at any rate from the outset a basic knowledge of the principles of social policy and of social work. Social policy in its widest sense has come to occupy a large part in the work of the Civil Service. The N.C.S.S. suggest that some study of these

basic principles should be included in the training of Civil Servants. It is felt that Civil Servants do not get to know about voluntary action except in the context of particular Departments in which they come to serve, and that they do not get to know the broad range which, it is suggested, should form part of their training. For those engaged on the social services there would appear to be advantages in either a short period of intensive training or possibly the occasional secondment of an officer for a year or so to a voluntary organisation. Such organisations could help by allowing a Civil Servant to see the kind of work done in a voluntary office, and it would seem important that they should see various kinds of work during their secondment.

22. From the N.C.S.S.'s point of view there are practical advantages in the continuity of individual Civil Servants in the same post for a reasonable period. In this way personal contacts and mutual understanding can be established and maintained. On the other hand the N.C.S.S. recognise the advantage to the Civil Service of variety of experience during the career of an individual, particularly no doubt in developing flexibility of mind as they advance up the ladder. In particular there seem to the Council advantages in some experience outside London, and in contacts with the grass roots of the social services for Civil Servants engaged in almost any of the Home departments. The impression of the N.C.S.S. is that changes and transfers have been taking place at an increasing rate during recent years, possibly because of the staffing needs of new departments, and that it has become increasingly difficult to establish any personal continuity: to put it shortly, there is to the N.C.S.S. all the difference between six months and—say—five years for their normal contacts at the level of Assistant Secretary or Principal.

23. The N.C.S.S. welcome arrangements for the participation of Civil Servants at their committees, both centrally and locally, and believe that the experience of these officers should enable them to take an increasingly active part in their discussions. They hope that departmental instructions will look with favour both on their active participation in discussions and on their ability to serve as active personal links between the N.C.S.S. and their department in the course of current work.

24. The main defects of the present arrangements seem to us to be

- (a) that, no doubt owing to the general pressure of work and shortage of expertise, the officers attending a conference with voluntary bodies tend to be of too junior rank with instructions to listen and report back;
- (b) that, also no doubt for the same reason, the willingness of officers to take initiative in their own department as the result of such conferences seems less than might be hoped.

There is a natural tendency to do the current work that must be done, the letters from other departments, M.P.'s and so on, and keep the departmental machine running without complicating the gearing with voluntary bodies' work. But if it is true, as the Nathan Committee reported and the Government accepted on the Charities Bill, that the voluntary movement is not an optional extra but an integral part of the global social services available to the nation, this implies that staff in *all* departments should be trained and oriented and made available in sufficient numbers, to make the partnership a reality and not a platitude.

MEMORANDUM No. 102

submitted by

THE OPERATIONAL RESEARCH SOCIETY

December, 1967

INTRODUCTION

1. Operational research (O.R.) is now widely used throughout industry and commerce as a means of studying some of the complex policy decisions facing management, and its use is growing rapidly. Generally speaking, the larger and more complex the organisation concerned, the greater the benefit that is derived from the application of O.R. This increasing use does not appear to have been matched by a corresponding use of O.R. by Government in Civil Departments, and the Council of the Operational Research Society have therefore asked that a memorandum be presented to your Committee concerning the use of O.R. by and for Government.

2. We could have attempted to make recommendations on two matters; firstly the place of operational research teams within the Civil Service structure, and secondly recommendations from an operational research point of view concerning the general structure of the Service. But because we lack experience of the Civil Service structure in general, we have confined this memorandum to the question of the place of O.R. within the Service structure.

3. The memorandum is in two main parts: the first deals with the nature and function of operational research, and its current range of activities both within and outside Government; the second suggests the need for expansion of the activity within the Civil Service, and proposes that a central O.R. activity should be established at an appropriate level to investigate questions of major aspects of policy and management.

THE FUNCTION OF OPERATIONAL RESEARCH

What is O.R.?

4. Operational research is the application of scientific method to the problems of management. Its early development lay in the military field, just before and during the Second World War, and its achievements in that field are now well known. After the War, O.R. groups were established in industry, steel and coal taking the lead, and today every major industrial grouping has a number of strong O.R. teams working within it. There are several University Departments of O.R., some of them offering post-graduate degrees or diplomas, some

independent operational research institutions, and a growing number of consultants. By no means least, there are also several teams working in local and in central Government. There has been a corresponding development elsewhere in the world, particularly in the United States and France. Further information on this subject is given in paragraph 12.

5. The range of problems tackled by O.R. is correspondingly wide. Half a dozen examples may serve to indicate the range. (They are, in fact, the six case-studies in the most recent issue of the *Operational Research Quarterly*.)

Development of a technique to aid the management of design, applied to the design of a house.

Determination of the desirable level of total research expenditure in a manufacturing industry.

Design of rosters, service frequencies and schedules for a municipal bus undertaking.

Planning the restoration of an open-cast coal site.

Allocation of funds between different investment projects applied to an engineering firm.

Policy for replenishing stocks of expensive slow-moving items jointly ordered from one supplier.

6. The essence of operational research which distinguishes it from many other investigational and research specialities is that it employs the "scientific method" and is directed towards improved decisions. The "scientific method" and is directed towards improved decisions. The "scientific method" implies that the approach is logical and is based on the determined facts of the situation, but particularly it implies that an attempt is made to subject any hypotheses developed to experimental verification. Since it is not usually possible to experiment with the organisation as a whole, it is often necessary to develop a "model" which sufficiently describes the way in which that part of the organisation being investigated operates. This model may take many forms (mathematical equations, cost equations, logic statements, etc.). The fact that O.R. is concerned with "improved decisions" means that it does not undertake research for its own sake, but is directed towards the needs of management and intended to be applied.

7. In the course of tackling various projects, a number of new mathematical and statistical techniques have been developed, such as simulation, mathematical programming, queueing theory and network analysis (critical path). It is a mistake, however, to identify the practice of O.R. with the application and development of these and similar techniques which are, in fact, a by-product of the main activity. It is the essence of operational research to discover and apply the techniques which are appropriate to the particular problem being studied.

8. Because of this need to fit the solution to the problem and not *vice-versa*, operational research teams have traditionally drawn upon a wide range of skills

and disciplines. The approach of a mixed discipline team is however interdisciplinary and not multi-disciplinary; that is to say in a team comprising a mathematician, an engineer, an economist and a sociologist, the problem is not divided up into a mathematical component, an engineering component, and so on, but rather each discipline is brought to bear on every aspect of the problem. The essential characteristics of a good O.R. scientist include, in addition to skill in the application of the scientific method, intellectual ability, integrity, imagination and the ability to understand and appreciate the real nature of the problem being studied, including the political and social obstacles to implementing an apparently ideal solution.

The organisation of O.R. in industry

9. There are, of course, many differences in the ways that O.R. groups operate, and in their locations within the organisations for which they work. Some O.R. groups exist as independent Departments reporting to the Board, but others can be found located within a Management Services unit, within Finance, Marketing, Research and Development or Production Departments—and in some large organisations several departments may each have their own O.R. unit. Work is carried out at and for all levels of management, from the factory floor to the Boardroom, and is usually sponsored or controlled by the manager for whom the work is being done, rather than by the functional Area of the Department.

10. However, although O.R. has operated effectively in many organisational situations, certain general principles can be stated. In the first place, it has generally been found undesirable to locate the O.R. activity in one of the main functional departments e.g. Production or Marketing, since it then becomes difficult either to undertake effective studies for other departments or, more important still, to tackle problems of central policy which cut across departmental interests. Similarly, it has often been found unsatisfactory to locate the O.R. activity within the financial control activity of the organisation, since it can then become difficult for it to be accepted by other departments as a positive aid to their decision making. Generally speaking, O.R. has been found to be most often effective when it reports directly or through not more than one intermediate level to the board or to the managing director. In this connection O.R. has tended to move away from a purely advisory function, and has become part of the management policy making team.

11. One other organisational feature is worth mentioning. In large organisations it has been found useful both to have an O.R. activity at headquarters and also in the operating units, e.g. a functional department, a member firm of a combine, or the area of a nationalised board. This feature has occurred both where O.R. started as a centralised activity and as a regionalised activity. The relationship between the headquarters and the unit teams varies but is usually based on a line and staff pattern with the headquarters team having responsibility for general standards, for specialist advice, and for background research for the unit teams, who are however directly responsible to local management for the projects they undertake.

The Operational Research Society

12. The Operational Research Society has three grades of membership.¹ In order to obtain full membership it has been necessary to satisfy Council that one is an experienced and qualified O.R. practitioner. The numbers in this grade have increased from 72 in 1953 to 536 in 1967. There are 65 collective members. Associate members have increased from 304 in 1960 to 1,764 in 1967. There are a thousand companies represented in the membership list and 74 of these have operational research departments designated as such. To give an indication of the international growth of the subject, there are now 17 national societies affiliated to the International Federation of Operational Research Societies.

Operational Research in the Home Civil Service

13. No detailed review of the employment of O.R. personnel within the Home Civil Service was available at the time of preparing this memorandum. A general picture is, however, known. The largest use of O.R. is by the Ministry of Defence, particularly at the Defence Operational Analysis Establishment, but this work is rather apart from the main issue of this memorandum. Apart from this, there are small teams (*inter alia*) in the Treasury, the Ministry of Technology, the Ministry of Power, the Home Office, the Board of Trade, the Post Office, the Building Research Station and the Road Research Laboratory. The total professional complement in these teams is thought to be somewhat less than 100. Very few of these teams operate in the same way or at the same level as an industrial O.R. unit. Many have been set up for special purposes and do not provide a general O.R. service. The team at the Treasury, which operates at a relatively junior level, sets out to provide a service to other departments of the Government on problems of tactical management (stock control etc.)—though changes are under consideration. One of the teams at the Ministry of Technology sets out as its prime purpose to provide the same service for small industrial organisations. In general the teams are led at the P.S.O. or S.P.S.O. level. The only two known exceptions to this are both concerned with special purpose teams not exercising a general O.R. function. It appears to us without detailed knowledge that the picture may be described as that of a number of small uncoordinated teams studying problems of a tactical rather than a policy nature.

Consultants

14. A feature of the development of operational research in the United Kingdom has been the wide use of consultants. A number of specialist O.R. consulting firms exist and most general management consultants, and many accounting firms, have an operational research division. These firms have a double function, namely to undertake *ad hoc* projects for clients and also to provide a specialist and back-up service for organisations already possessing an O.R. activity. Indeed, most consultants would agree that their chance of effective implementation is greatly enhanced when they are working with an O.R. activity in the firm.

¹ A change in the membership structure took place on 1st January, 1968, which does not, however, affect the general sense of this paragraph.

Conclusion

15. Operational research is in a literal sense operational and its success or otherwise is to be judged by whether or not its results are put into practice and achieve the improvements predicted. So operational research men lay great stress on the importance of achieving implementation. But it is also research, and this implies breaking fresh ground; and consequently when a project is undertaken one cannot guarantee that a solution will be found. Now that the profession has reached a certain maturity, there is a wide class of problems which can be undertaken with a very high probability of success: but the major strategic issues which face both industry and Government require the development of more understanding of systems' behaviour, new techniques of measurement of forecasting and of optimisation and new control systems to implement the solutions. These problems cannot be satisfactorily solved by abstract reasoning, nor by pragmatic *ad hoc* decision-taking: it is essential that the problems should be studied in a scientific manner, as they exist in the current situation in the real world.

A CENTRAL OPERATIONAL RESEARCH SERVICE FOR GOVERNMENT

16. It appears to us that all the reasons which have led to the wide-spread adoption by large industrial and business firms of O.R. existing, at a senior level, as a central activity associated with teams located within functional departments, or operating units, apply even more strongly to Government. As indicated above, though some O.R. is undertaken within the Home Civil Service, we believe that this is generally speaking conducted at too low a level to be concerned with major policy problems, and too little is being done with regard to problems that cut across departments or on major problems associated with the management of the country. We believe, therefore, that a central team should be established, and the remainder of this memorandum will discuss in turn the work that should be undertaken, the location of the team within the Civil Service and problems of staffing.

The Work Programme

17. Four main fields of work can be envisaged for the central O.R. team.

(i) Central Planning Problems

The development of national and regional planning is at present largely carried out by economists and statisticians in the Government service, or at universities. While considerable progress has been made in this field, we think that the work often lacks both the problem orientation and the concern for scientific method that characterise the O.R. approach. There seems to be scope here for the use of O.R., both in improving the techniques used and in bringing the models closer to the real problems involved. One could then see O.R. studies being directed towards the study of the meaning and value of the information being provided, and of the actual consequence of various decisions that might be taken.

(ii) *Inter-Departmental Problems*

An increased number of decisions are taken by Ministers and Civil Servants which cut across the traditional departmental boundaries. There is evidence for this both in the large recent increase in inter-departmental working parties, and by the large number of areas, e.g. manpower planning, regional planning, airport location etc., where many different Ministries are involved in research and decisions. A central O.R. team should have a contribution to make to the solution of some of these problems.

(iii) *Basic Research*

To undertake research into techniques for the O.R. units within departments. It is likely to be found that there are a number of recurrent problems common to more than one Ministry for which standard techniques can be devised. It is clearly more efficient to undertake this work in the central rather than in the Ministerial units. Closely associated with this role would be a co-ordination of O.R. activity throughout the Service, probably including some training but not necessarily recruitment.

(iv) *Ad Hoc Work for Departments*

In many cases, departments will either not have O.R. teams developed, or will not have a sufficiently high O.R. activity to undertake certain problems. One would envisage that a central team would undertake a fair amount of *ad hoc* work of this nature.

Position within the Civil Service

18. The central O.R. team could be provided in one of two ways, either as an "in-government" activity located within a Ministry, or as an independent consulting organisation working only for Government, on the lines of the RAND Corporation in the U.S.A. We shall consider these in turn. The problem of deciding the correct location for an "in-government" activity lies in identifying the department in the Civil Service who would be concerned with taking co-ordinated policy decisions of the type that the O.R. team would be studying. As the Service is at present, the team would have to be located within the Treasury, the Department of Economic Affairs, or attached to the Cabinet Office.

19. Experience in industry has shown that the Head of the O.R. activity should not be more than two levels removed from the Board of Directors. In practice this generally means that the Head of O.R. either reports direct to the Board or is part of a management service unit which reports direct to the Board. Translation of this directly into terms of the Civil Service is not easy because of the lack in any real sense of a parallel to the managing director and Board of Directors of a firm. However, it is clear that the Head of the O.R. activity must be at a senior level and able to approach the top policy makers.

20. If the O.R. activity were located within a special agency similar to the RAND Corporation in the U.S.A., some of these problems would disappear though others would be created. Problems of seniority, location within the

Ministry etc., would not arise, but the level of contact within the various Ministries would have to be carefully established. On the other hand, some of the advantages of the staff themselves being Civil Servants and clearly involved in this way in the problems of governmental decision making would be lost. However, indications are that if the agency was only concerned with governmental problems, this close association could still be established.

Staffing

21. Operational research needs to be well done or not at all, and it is correspondingly important to recruit staff of the right calibre and experience. Some of these could, no doubt, be found within the Scientific Service (though there is in general a shortage of staff within the existing teams), but it would in any case be desirable to introduce from outside experienced men (or women) who have been concerned with central policy making problems. Once a central team was established it is likely that it would have to recruit inexperienced people of the right calibre and arrange for their training, but this is a problem that has been met and solved elsewhere. Recruitment would undoubtedly be made easier if movement to other responsible posts in and out of the Service were possible.

22. Consideration should also be given to the principle established by the Defence Operational Analysis Establishment which has a policy of assigning serving officers for a two or three year term to the staff of the Establishment, where they work jointly with the O.R. professionals. This contribution is valuable not only in ensuring that there is the requisite knowledge of the practical situation in the course of the O.R. investigation, but that many senior officers now have practical experience of O.R. and therefore are better able to make use of it. Similar practices are followed in industry and there would be clear advantages in a central O.R. team having assigned to it members of the Administrative Class (or the equivalent) and other professional grades on assignment.

MEMORANDUM No. 103

submitted by

THE RATING AND VALUATION ASSOCIATION

December, 1966

The Association submits this short memorandum on three points:

1. Recruitment—Professional Staff.
2. Promotion within the Civil Service.
3. Staff Interchanges—Central and Local Government.

The memorandum suggests changes in present procedures which may improve recruitment, staff relations and widen the experience of many Civil Servants whose duties are complementary to the other arm of government—local government.

It is not encumbered with supporting detail which is public knowledge, particularly in regard to the shortage of professional recruits, especially valuers, a shortage which has contributed to the Inland Revenue's Valuation Office admission that it can no longer carry out some of its obligations. Moreover this inability is also handicapping other reforms which necessitate an efficient and adequate central valuation department.

The memorandum is concerned only with general questions and of course no attempt is made to analyse the problems or procedures of any particular Government department.

Broadly speaking it urges greater flexibility in recruitment procedures and the consideration of reforms which may contribute to improved career prospects.

It makes no attempt to cover salaries and Service conditions. The Association would welcome an opportunity to give oral evidence or supplementary written evidence if the Chairman and members of the Committee on the Civil Service call for these.

1. Recruitment—Professional Staff

1. The Association's submissions are based almost entirely on the recruitment experience so far as valuers in the Civil Service are concerned, but probably the demand for other professional men of the right quality exceeds the supply coming to the notice of the Civil Service Commission.

2. Policy requires that candidates for professional appointments shall possess specified examinations qualifications; others with alternative examinations qualifications are thus specifically excluded.

It is not the Association's purpose to make out a case for any particular examination which at present is not recognised for appointment purposes.

It submits that in, for example, the valuation profession, there could be a considerable widening of the field of possible recruits if the tightly restricted range of examinations presently applying is widened to bring in far more *potential* recruits with other qualifications.

3. Examinations standards vary enormously and it will certainly be true that some claims of adequate standards will not be substantiated. Nevertheless, faced with the present difficult recruitment problem and the growing responsibilities as a result of Government land and taxation policies, it must be in the public interest for the Civil Service Commission to avoid any recruitment procedures which will inevitably limit the range and number of applicants for appointments.

4. Suitability for appointment depends on ability, experience, personality and professional qualifications. The weight to be attached to each is a matter of judgment, exercisable by the appointments board. Simply by declining to accept for interview applicants who may satisfy all other tests, but lack a particular examinations certificate, the Civil Service Commission may be seriously affecting recruitment and impairing the efficiency of some Departments of Government.

5. The extension of the field of recruitment by requiring evidence of professional examinations qualification generally rather than by way of some specified professional body could materially increase the number of applicants and produce many more acceptable candidates. It could, also be the case that a careful review of examinations standards, by way of independent testimony, will assist the Commission in its recruitment policies. Standards are not immutable and within any range of what, at any one time, are acceptable examinations, changes can occur, and rigid pass levels can mean virtual deterioration if examiners standards should fall. The whole range of acceptable examinations should be constantly reviewed and due allowance made so far as this aspect of appointments selection is concerned. It is surely a matter for concern if so important a public agency as the Civil Service Commission underpins, even inadvertently, the continued status of particular examining bodies and yet disregards others with aspirations in the same direction, without introducing accessible and adequate machinery for a regular review of all standards and the maximum use of disinterested testimony.

6. Relevant to recruitment problems is the policy of particular professional bodies, having examinations tests for membership, so far as a candidates working background is concerned. It is open to a professional body to limit very severely the forms of employment they will accept as suitable. This is entirely their concern but it could be very anomalous if it also, and automatically, governs questions of acceptability for public appointments. To illustrate this it might well be the case that a person spends his time in an acceptable office on very ordinary duties, whereas another person in an office which is not acceptable is engaged on truly professional duties. Both could well prove useful additions to the profession but one will certainly not be permitted central Government employment simply because the professional body or bodies who apply rigid rules of employment and whose examinations alone are acceptable will not admit him to their examinations room.

7. The Association urges more flexibility in examinations requirements for Civil Service appointments on the grounds that without regular review no group of acceptable examinations should automatically be retained in a privileged position and others, presently excluded, should be considered on their merits. The public interest will be better served if none are expressly specified, unless a specialist appointment necessitates a particular qualification of an equally specialist nature, and all relevant examinations certificates are given the weight they deserve when an application is before the appointments board.

2. Promotion within the Civil Service

8. There is always a risk that departmental promotion procedures will become uniform and standardised, that concentration on ability and experience in a particular professional field will unduly reward one candidate and penalise another, simply because, in their own earnest search for the marks of professional soundness, departmental promotion boards overlook other valuable characteristics in candidates. This is an argument for greater flexibility between departments all seeking recruits. At the start of a man's central Government service his intent is clear. Later he may find that he is unsuccessful in his chosen Department. Not exactly unhappy, simply uncomfortably unsuccessful. The causes may be simple, a solution difficult, certainly in the present Department or Ministry.

9. The Association submits that if an independent Civil Service Commission member is invariably attached to departmental promotion boards there will be great advantages. An independent member can make his own distinctive appraisal of candidates, unencumbered by his colleagues' overriding need to search for professional acceptability. His accumulated knowledge of the procedures and responsibilities of all the departments on whose promotion boards he has served will not only increasingly help him to note the man who is slightly out of step environmentally, but enable him to assist very materially an enquiry into departmental efficiency of organisation.

10. His uncommitted presence professionally may well enable him to note talent in an unsuccessful candidate which would fit him much more comfortably into another environment. His special position would enable him to advise such a candidate and gradually it could well emerge that the whole of the Civil Service will benefit through readjustments of this kind.

3. Staff Interchanges—Central and Local Government Services

11. Necessarily local government services are based on central Government policies reflected in social developments of all kinds. Certainly central Government interest in adequate and uniform standards of local services necessitates some form of guidance and control on the part of central Government officers.

12. Central Government and local government officers see, and more fully understand, certain aspects of those services, whether on the technical or on the financial side. Neither side, functioning in isolation, can hope fully to understand all the problems.

13. If, however, it should prove possible to graft on to both a method of seconding for alternative service those grades of officer in each who could profit by their extended experience and so serve the community more efficiently, it would greatly benefit the Civil Service as well as the Local Government Service.

14. Political decisions are made and put into effect, often without a full appreciation of the obligations imposed on both central and local government officers. Where advice is accepted and a policy is adapted as far as possible to match known resources, reasonably stretched, that advice would be more effective if it is available from Civil Servants with a practical understanding of local administration, organisation and limitations. Conversely the local officer experienced in central Government procedures and problems, would be in a far better position to know how far representatives could be effective and his knowledge of Ministry and Parliamentary procedures would be extremely valuable.

15. This kind of development must, unfortunately, be first considered at a time when staffing problems centrally and locally are considerable, leaving so much less scope for experiment. It is also a fact that short term secondment would achieve comparatively little by comparison with an effective period of transferred service for a year or two. Nevertheless the Association strongly urges consideration of such a proposal.

Summary

Recruitment—Professional Staff

The present restriction of applicants for professional appointments to those possessing only specified examinations qualifications could, with advantage to the Civil Service, be relaxed. The more extensive the sources of recruits the larger will be the number of applicants for vacant posts. The existing appointments procedure will still ensure the selection of the best candidates, based on experience, qualifications, personality and ability, but the wider choice available to establishment divisions of Government Departments may appreciably reduce their recruitment difficulties.

Promotion within the Civil Service

Departmental promotions boards will function much more effectively if there is one member at least who is unencumbered by departmental attitudes and loyalties and better able to appraise staff qualities more flexibly, objectively and independently than is possible by departmental members accustomed to settled habits and traditions.

Moreover such independent members nominated by the Civil Service Commission would be aware of the differing mental disciplines required of staff for each of the Departments of Government so that rejected candidates for one post may well be thought suitable for others and advised accordingly.

Additionally these independent members would accumulate considerable knowledge of the responsibilities of each Department and could give assistance when departmental organisation and procedures are under independent scrutiny.

Staff Interchanges—Central and Local Government Services

Central Government policies on local government services are made effective through advice and controls ensured by the Civil Service. Maintenance of reasonably uniform and efficient standards of local services is thereby assisted.

Necessarily, in this way, central and local government officers are in partnership. Nevertheless the administrative problems of each may not be fully appreciated if they continue to function so very independently as they presently do.

There would be great advantage if a general policy of staff interchanges between the central and local government services could be followed. In this way the risks of central Government policies leading to legislation which overstrained local resources could be lessened, as gradually both the central and local staffs would understand each others administrative structure, responsibilities, scope and limitations. Any widening of experience and knowledge in this way would appeal to the staffs concerned; a valuable recruitment and training factor.

MEMORANDUM No. 104

submitted by

THE ROYAL INSTITUTE OF BRITISH ARCHITECTS

January, 1967

Introduction

1. We are not attempting in the limited time available to present detailed evidence to the Committee, or to offer views on the general structure and machinery of Government. Our concerns are architecture and building and the role of the architect in the Civil Service. Government is responsible, directly or indirectly, for one half of the nation's capital investment. The Civil Service is a major sector of architectural practice, and has a profound influence on architectural practice in other public authorities and on private offices. If the nation is to get the best possible value for its expenditure on building, the Service must be able to recruit its full share of the best architects and provide conditions in which they can do their best work. Although there are some exceptions, these conditions are not in general provided at the present time.

Responsibility at the top

2. At the present time most of the top posts in the Civil Service are effectively closed to men and women with professional qualifications. In our view, the senior posts in the Civil Service, at the level of Under Secretary and above, should be thrown open to any candidate with the appropriate talents and skills, regardless of the career route by which he has risen or the discipline in which he was originally trained. This would improve the quality of the senior Civil Servants and create a better climate for professionals to work in. While few architects might wish to become professional administrators, architects and other professionals should be in a position to play the most effective role, directly at the policy-making level, in the departments concerned with physical planning and building.

3. There should also, in our view, be more senior posts specifically for architects. The dearth of positions at the top makes it difficult for the service to offer a ladder of promotion, and leads architects whose services should be retained to seek the greater rewards and opportunities of private practice in mid-career. It is significant that nearly all the senior architectural posts in the Civil Service are now occupied by men who were recruited outside the Service.

Joint Responsibility

4. Since 1948 there has been continuous and successful experience of joint responsibility or "twinning" between architects and administrators, first

in the Ministry of Education (as it was then) and then in the Directorate General of Research and Development in the Ministry of Public Building and Works. This practice should be extended, at the level of Assistant Secretary and below, to all other departments concerned with building. But for joint responsibility to work well, administrators and architects must have sufficient time to understand each other, and administrators have to become familiar with the complex nature of the design and building processes. All too often, however, the partnership is broken inordinately early by the internal posting of administrators, and the activity jointly managed suffers accordingly.

Professional Prospects

5. The Civil Service offers an uninviting prospect to the young architect and other professionals who compare it with prospects elsewhere. The total climate and structure militate against recruitment because it is assumed that the Civil Service should offer a complete and continuous career for life to the newly qualified architect. This concept is no longer attractive. While the Service must provide a coherent and attractive career structure, the young architect today seeks a career in *architecture* and looks for a wide range of experience in offices of different kinds. It is immaterial to the architect whether any particular phase of his career is spent in Government or local authority service or private practice. If the Civil Service is to attract men and women of the highest calibre, at all levels and at all stages in their careers, it must recognise the need for a flexible arrangement by which architects can move easily in and out of the service at any time in their working lives.

6. Few of those young men and women who are keen to take responsibility early, and to feel the sense of personal involvement within a small group engaged in a worthwhile creative task, look to the Civil Service. Elsewhere they can find, even in large offices, salaried posts where maximum responsibility is delegated to teams of manageable size, with direct access to clients, engaged in most interesting work, at more favourable salaries. In such offices the number of responsible posts is correspondingly larger, the atmosphere is stimulating and initiative is encouraged. The Civil Service consequently finds itself with a smaller proportion of its architects in the 20 to 39 age group and a far higher proportion of the over 50's than in any other sector of architectural practice. The Civil Service structure must also accept this concept of small teams, directly in touch with clients and offering more senior, responsible posts. The R.I.B.A. issued a statement in August 1963 (copy attached¹) setting out principles for formulating staff policy in architects' offices which is applicable, in principle, to the Civil Service.

7. Pension arrangements and the rules affecting established service also seriously inhibit free movement in and out of the Service. It would be hard to exaggerate the importance of removing or at least substantially reducing these barriers, which are damaging not only to the Civil Service but to local government and private practice also.

¹ Not printed.

Research and development

8. In contrast to the image of the Civil Service as a stuffy, slow and unimaginative organisation, is the reputation achieved by the work of the Development Groups in a number of Ministries on large repetitive programmes (such as schools, housing, buildings for the Services and hospitals). The achievement of the Department of Education and Science in reducing the cost of schools while improving their performance has won a world-wide reputation. By studying the requirements of user, practical experiment in building, developing new techniques, setting standards, establishing cost limits and securing value for money, the Development Groups are, in fact, evolving a rational basis for Government policy and the administration of building programmes. The techniques of control by vetting designs against arbitrary standards and costs are increasingly difficult to operate and duplicate professional skills. By publishing information that positively helps the production architect from the commencement of the job, and by setting cost limits and standards based on practical experience, the Development Groups can reduce vetting to a minimum and recruit architects of the highest calibre for advisory work which not only requires fewer people but requires skill and imagination. The Development Groups (which include administrators) have in fact a strong appeal to lively young architects, for whom they have been said to provide a first-class post-graduate experience. The attraction lies not in a life-time career with a pension at the end of it, but in a period of stimulating and adventurous work with people who are bristling with ideas and are impatient of conventional thinking. Everything must be done to encourage these groups, and to create a similar spirit elsewhere in the service.

Costs

9. We make no attempt to encroach on questions of organisation and costs in the principal building department, the Ministry of Public Building and Works. We do, however, draw the attention of the Committee to the Report from the Committee of Public Accounts for 1962-63 (paragraphs 69-74). This mentioned proposals to reduce the design costs in the Ministry from the astonishing figure of 26.6% to 18% (which was reckoned to be comparable to 13% in the private sector). No doubt investigation would show how far the Ministry has progressed towards its target of 18%. The high level of design costs does suggest, however, that either the Ministry is not attracting the best and most efficient architects or that, where it does, it is failing to make the best use of them.

Civil Service as Client

10. The Civil Service is concerned in construction programmes totalling £1,000 million a year. It must, therefore, be a highly professional client able to extract the utmost value from the industry. Civil Servants who are responsible for client administration should be trained through continuous work on the construction programme, and having been trained should not thereafter be posted prematurely to other jobs where their experience is wasted.

11. Government is so large, important and valuable a patron in building that it must in particular set an example in the way it commissions and manages

private architects, so as to maximise the advantages and minimise friction in the system. Neither the Government nor the architectural professional can afford the waste of manpower and of money inherent in the present unplanned relationship between private and public practice. The best results will come from commissions which are the result of considered policy, programmed in advance, rather than hand-to-mouth expedients. The Government is far from setting a good example in such matters as briefing private architects and giving the architect full responsibility for a whole project. It often breaks a cardinal principle of good architectural practice by dividing responsibility for the preliminary design from responsibility for production drawings. By farming out working drawings to private firms to do hack work, it cuts off the designer in the Government office from the practical experience which alone can discipline design and impose a realistic approach to costs and construction. It also denies to the private firms the opportunity to make their most effective contribution to design. Evidence in our possession suggests that the principles of good practice are violated sufficiently often and seriously enough to impair efficiency and good relationships in what should, with care and forethought, be a profitable and harmonious partnership.

MEMORANDUM No. 105

submitted by

MINISTRY OF PUBLIC BUILDING AND WORKS

February, 1967

In the Institute's Journal for February is the R.I.B.A. Evidence submitted to the Fulton Committee on the Home Civil Service.¹ The evidence refers particularly to the employment of architects and their relationship within the Civil Service.

2. It is felt by some directly employed Departmental architects, and some who have held commissions, that the evidence in a number of respects misrepresents the facts and could be misleading if taken at its face value.

3. For example, it is not correct to suggest that only two sections of the Service have practised "twinning" between architects and administrators over the last eighteen years, and one of these only during the last three years. Arrangements of this kind were in force in the Ministry of Works for some time before the merger of 1963, and since that date they have been adopted throughout the enlarged Ministry and not only in the Directorate General of Research and Development. If there has been a lack of co-ordination it has been in the spheres of grading and remuneration rather than in methods of work.

4. With regard to the evidence on cost, attention is drawn to the Committee of Public Accounts for 1962-63, paragraphs 69-74. The figure of 26.6% does not relate to *design costs*, it is the repayment index for 1961-62 and represents the cost in that year of the staff engaged on New Works Services related to an expenditure of £13 million and is made up of 18.2% for the cost of the staff engaged on New Works Services and 8.4% for departmental overheads. Equivalent index figures for 1965-66 had fallen to 18%, made up of 13% for direct staff costs and 5% for departmental overheads, in spite of the fact that the proportion of work overseas was significantly higher in 1965-66 than in 1961-62.

5. On the question of the Government as client, Departments are not directly concerned in construction programmes totalling £1,000 million, since local government are responsible for the execution of most of this programme with the Ministry of Public Building and Works the only major direct building Department carrying out the remainder. It is the Department which commissions architects in private practice on a large scale and can only be the Department referred to in the passage about the manner in which Government grants commissions. In employing architects in private practice on both full

¹ Memorandum No. 104.

and partial commissions, the Ministry is setting out to use in the widest possible way every help available to meet the needs of its building programmes, and in doing so it follows the Conditions of Engagement laid down by the Royal Institute of British Architects. The Ministry would prefer to use full commissions only—or at any rate not to use commissions limited to working drawings, though the number of firms who welcome partial commissions for the Ministry, even when work is reasonably plentiful, would perhaps surprise the authors of the R.I.B.A.'s evidence. The proportion of full commissions has significantly increased recently and will be higher still as the balance of the Ministry's staffing improves.

6. A copy of this letter is being sent to the Fulton Committee,¹ who will no doubt bear in mind these three illustrations of the wrong impressions that the evidence could create.

¹ This memorandum is a letter written by the Ministry of Public Buildings and Works to the secretary of Royal Institute of British Architects, of which a copy was sent to the Committee.

MEMORANDUM No. 106

submitted by

THE ROYAL INSTITUTE OF CHEMISTRY

January, 1967

The Royal Institute of Chemistry is, by virtue of its Royal Charter, the professional body representing qualified chemists, and we have therefore confined our evidence as far as possible to matters affecting the position of chemists, and of scientists generally, in the Civil Service. We do, however, believe strongly that scientists have an important part to play in higher management and national policy formation (at present the exclusive field of the Administrative Civil Service) as well as in the kind of work now undertaken by the Scientific Civil Service, and much of our evidence relates to this aspect.

2. The evidence set out below is classified under the same headings as those used in the amplified terms of reference published by the Committee.

General

3. We believe that the quality of the service rendered by the Civil Service to industry and commerce, and indeed to the public generally, is adversely affected by the lack of experience and knowledge of industry and commerce on the part of higher Civil Servants, especially on the growing scientific and technological side. Furthermore, industry and commerce have, until recently, been regarded as something that the duties of Civil Servants required them to deal with, and not as the two most important factors affecting the country's economic viability. There is a striking contrast here between the attitude in this country and that in the United States and some European countries, where industry and commerce are regarded as vital and treated accordingly. In the United States and France, in particular, there are well established arrangements for the secondment of senior persons from industry and commerce into the Civil Service. We welcome the introduction of a similar arrangement in this country for secondment to the Department of Economic Affairs and would like to see it extended to other departments. We doubt, however, whether those so far seconded to the Department of Economic Affairs have been selected at a high enough level of industrial and commercial responsibility and experience and whether, in consequence, they have the same influence as those seconded in other countries.

4. As far as the service rendered to Ministers is concerned we think that a major weakness is the almost total absence of scientists (i.e. persons with a degree or its equivalent in science and some years of research or technological experience) at senior level in the Administrative Civil Service. This situation is made worse by the difficulty of gaining access to Ministers that is experienced

by scientists in top positions in the Scientific Civil Service. As a result, Ministers are called on to make decisions affecting scientific policy without the benefit of direct and first-hand advice of persons with the necessary scientific knowledge.

5. We do, of course, acknowledge that Civil Servants have many strengths, but our concern is whether they have those that are essential or necessary to enable them to deal effectively with contemporary problems. Apart from their lack of knowledge and experience of life outside the Civil Service, to which we have already referred, we believe that important weaknesses are lack of foresight and adaptability to changing circumstances, and the unusually sheltered environment in which they work only serves to emphasise these weaknesses.

6. With regard to the qualities and skills of Civil Servants, and the kinds of people required now and in the future, we believe strongly that the outstanding need is for more people at policy-making level with the type of training that makes them forward-looking, adaptable and not averse to change. There is no better training than science to develop these qualities and we believe that, in a country whose future depends so much on science and technology, the case for more scientifically trained people at all levels in the Administrative Civil Service is now unanswerable. Such people might be expected to possess the quality of foresight, so often lacking in the Civil Service, and the ability to pose the problems and ask the right questions. They might also question many existing practices, such as the duplication of effort within the Scientific Civil Service and the tendency to start new projects, but rarely to discontinue existing ones. It should be realised, in this connection, that the increasing complexity of scientific and technological investigations, involving team-work and co-ordination of effort, provides a good training for the delegation of work required in the managerial and administrative fields. Furthermore, an infusion of scientists into the Administrative Civil Service would inevitably help in the development of the application of science nationally, an aspect that has in the past placed us at a disadvantage in relation to countries such as the United States and the Soviet Union, especially in the development of projects of economic importance.

7. The implication for the educational system of the country are two-fold. Because of the very high rate of growth of scientific knowledge, practising scientists and technologists in the Scientific Civil Service need frequent refresher courses. Here, the Royal Institute of Chemistry is already helping to provide these facilities for chemists by organising, in conjunction with the Chemical Society, a regular series of review symposia in areas of chemistry that have advanced appreciably in recent years. These symposia have now been running for two years and it is planned to develop them further and to supplement them by longer refresher courses. In the Administrative Civil Service we believe that, apart from the need for many more scientifically trained people, it is important that those with arts degrees should have had some acquaintance with science during their undergraduate courses in order to give them a measure of scientific literacy. This, however, can never be a final solution and the long-term aim must be to secure a greater supply of scientists. Here again the Royal Institute of Chemistry is playing its part by providing symposia, refresher courses and

educational publications for school teachers and by a variety of other means, all designed to improve the teaching of chemistry in the schools and thereby to encourage a greater proportion of able boys and girls to undertake a scientific training in the sixth form and at university. The extension of similar facilities by other professional bodies in the field of science and technology would undoubtedly be of real value.

Structure

8. We have no comments to make on the vertical hierarchy within the Civil Service, but we believe that the horizontal division into different classes needs fundamental re-examination and, in particular, that consideration should be given to abolishing the differentiation between the Scientific Civil Service and the Administrative Civil Service. If this differentiation were to be abolished and there remained grades (e.g. Principal) but not classes, the problem of scientists whose initial enthusiasm for research had declined would be enormously eased. It is well known that scientific research is a young man's job and that practising scientists commonly experience a diminished interest in research and a greatly increased interest in administrative problems by the age of 40 or earlier. In industry many such scientists progress naturally on to the management side, often moving over at a very young age, and the Boards of Directors of British companies contain a very large number of distinguished people whose careers have followed this pattern. In the Scientific Civil Service, on the other hand, similar opportunities do not exist (or, at best, to only a very limited extent) and the problem of making the best possible use of the older scientists is a very real one.

Recruitment

9. As far as general recruitment policy is concerned, we again take as our starting point the fact that not nearly enough scientists are recruited into the Administrative Civil Service and we believe that a major factor here is that normal recruitment is at too early an age. Practically all science graduates want to practise their science for at least a few years before they will contemplate taking an administrative post and, as a result, the normal Administrative Civil Service recruitment at graduation stage produces an intake consisting almost entirely of non-scientists. This could easily be overcome by introducing an additional mechanism for the recruitment of scientists into the Administrative Civil Service (either from the Scientific Civil Service or from outside) at a later age (30 plus) and hence at a higher level, and we strongly urge that such a mechanism be introduced.

10. We believe that the present methods of recruitment of scientists into the Scientific Civil Service are probably right and we have no further comments on this aspect of recruitment.

11. With regard to the balance between recruitment to permanent and temporary posts, it seems to us that there may often be cases where establishment is given too early. This must clearly, be a matter for negotiation in individual

cases, but we wonder whether it might not be better to give a longer term of probation in order to ensure that the man is satisfactory and that he likes the post.

Management

12. We welcome the facilities provided for Civil Servants to undergo management courses within the Civil Service and we believe that, in addition, there is a general need for postgraduate courses in management, especially for the re-training of scientists at age 30 or above whether they are entering the Administrative Civil Service or becoming responsible for management within the Scientific Civil Service.

We also regard the question of management study as important, since the efficiency of the Civil Service must, like that of any other large organisation, be very dependent on its direction and management. The Post Office is already being studied by outside management consultants and we believe that other Departments should be subjected to similar study. In our opinion, for such study to be effective, it must be done by independent experts with clear terms of reference.

Training

13. As mentioned in the Section above, we attach great importance to the provision of proper facilities for the training and re-training of scientists who are to enter the Administrative Civil Service as administrators or who are to become responsible for management with the Scientific Civil Service and we believe that early consideration should be given to this matter.

14. For entry into the Scientific Civil Service, we believe that the present methods of training (first degree in science, Ph.D., or a period as a post-doctoral fellow) are probably right. But it must be recognised that, because of the revolutionary rate of advance in scientific knowledge, there is a very great need for both short and long refresher courses. Such courses are quite distinct from conventional research meetings and symposia and a completely different approach is necessary. As we have mentioned above, the Royal Institute of Chemistry has already begun to provide one- and two-day courses of this kind, in addition to its established one-week summer schools, and is planning also to arrange longer courses.

Mobility

15. We believe that there should be the maximum possible mobility of scientists, both within the Scientific Civil Service and from the Scientific Civil Service to the Administrative Civil Service, in order to fit scientists for wider responsibilities. If, as we have recommended, classes were abolished there would be no artificial barrier to the movement of scientists from the Scientific Civil Service to the Administrative Civil Service, but, even if classes remain, we would urge that such movement should be encouraged as much as possible and that it should become as normal as the movement from the laboratory to management in industry. Any barriers that restrict this movement, such as different

salaries at "career" level or different ages of attainment of "career" level, should be abolished. It seems clear however that, before such a situation can come about, a fundamentally new attitude of mind is necessary.

16. It is also our opinion that, wherever possible, there should be mobility between the Civil Service and industry, in both directions, for the appropriate periods, which would probably be not less than one year. The earlier such movement can take place the better and we believe that it might be most advantageous for people in their early thirties.

MEMORANDUM No. 107

submitted by

THE ROYAL INSTITUTE OF PUBLIC ADMINISTRATION

December, 1966

CONTENTS

	<i>Paras.</i>
Deployment of Nation's Manpower	1-5
Recruitment Policy and Procedure	6-10
Mobility between Civil Service and Outside Employment	11-12
Age of Retirement	13
Classes and Grades	14
Administrative Specialisation	15-18
Relations between Generalists and Specialists	19-20
Training	21
Control and Management of Service	22-31

INTRODUCTORY NOTE

In submitting this memorandum the Institute cannot commit all its members, who are widely spread through the public services and the universities and doubtless hold a variety of views on many of the questions the Fulton Committee will have to examine. For this reason the purpose of this memorandum is not to present firm recommendations, but to draw attention to questions which the Institute believes to be specially worthy of the Committee's consideration, and to salient features of these questions which will need to be taken into account in reaching conclusions on them.

Deployment of the Nation's Manpower

1. It is first necessary to consider the role which the Civil Service is required to play in the life of the community and the demands which this will make on the nation's manpower resources. In the 1964 Stamp Memorial Lecture, Sir Richard Clarke said that the public sector probably employed some 60 per cent of those who had received full-time higher education. If this is so, the question arises whether the private industrial and commercial sector can be well enough served at the present time by only 40 per cent of the nation's highly educated manpower. The Civil Service is, of course, only a part of the public sector, but it is a large and significant part.

2. It has been the national policy over the past several decades, followed in varying degrees by successive Governments of different political colours, to pursue desirable goals of social justice. These have been sought partly by fiscal means, which often affect the general body of taxpayers, and partly by the provision of community and personal services, many of which have been made the responsibility of the public services. In more recent times, policies designed to improve the economy have required increasingly intricate administration. These developments have inevitably led to a substantial increase in the size of the Government machine, and in its demands on the nation's manpower. The Civil Service, excluding the Post Office, grew from about 190,000 in 1939 to nearly 420,000 in 1964. In other words, in 1964 there was one Civil Servant for every 130 of the country's men, women and children against one for every 265 in 1939.

3. It is reasonable to assume that these recent trends will not be substantially changed, and it may well be that the state will become responsible for pursuing an increasingly wide range of economic objectives. For these reasons the Civil Service must clearly attract a suitable share of the nation's educated manpower. The fundamental importance of industry and commerce to the nation's well-being must not be disregarded, however, and the other public services and the universities will also have rightful claims on the nation's resources of talent. At the present time there does not appear to be effective assessment of the relative demands of the nation's man activities for educated manpower of various kinds. That such assessments should be made seems to be very desirable, and it is suggested that the Fulton Committee could perhaps make a start with them on the basis of the information that is already available, and should consider recommending their development as a continuing element of national economic planning.

4. Such assessments might, of course, lead to the conclusion that the Civil Service was taking too large a share of the nation's talent, and that its demands should be moderated. The acceptance of this conclusion could lead to one of three things:

- (a) A restriction in the scope of Government activity in the economic and social fields. This could not be achieved without significant alterations in public attitudes and the policies of political parties.
- (b) A lowering of the general standards of recruitment to the Civil Service which might result in a decline in the standards of its work. This solution the Institute would deplore, and would urge that it be avoided by all possible means.
- (c) Increased efforts to ensure that the Civil Service was making the most effective use of its allocation of manpower. There is clearly a continuing need for this, whatever decisions are reached from time to time on the development of the nation's human resources.

5. To meet the need to relate tasks and resources, arrangements could usefully be instituted for a continuous review by cost-benefit studies of the Civil Service's existing tasks, and for estimates to be made (and published) of the manpower requirements implicit in the adoption of new policies proposed by Governments.

It is primarily the duty of the Government to initiate these assessments, but their importance seems to the Institute to be so great that it suggests the Committee should consider whether the Government ought to have the assistance of an independent body. If so, the Law Commission might provide a model of a suitable administrative device. So far as new legislation is concerned, it is for consideration whether it should not be made obligatory for Bills and announcements of changes in Ministerial policy to be accompanied by statements of their manpower requirements and demands upon other administrative resources as well as of their cost to public funds. Such statements need not, of course, be confined to the demands which they make directly upon the central Government; those which would arise in other parts of the public sector—for example, in local government—are no less important.

Recruitment Policy and Procedures

6. With the general objectives of Civil Service recruitment policy there is probably not much ground for argument, taking the Civil Service as a whole. It is no doubt wise to seek to secure a regular intake of young men and women of good quality at school-leaving and university-leaving ages for the kinds of work for which they can be trained, and to recruit older persons when special skills or experience are required or when the supply of school and university leavers is insufficient.

7. In such a large Service there are always likely to be some kinds of staff that are difficult to obtain for reasons which are beyond the Service's control, as for example when the total demand by the Civil Service, industry, commerce and the universities for recruits of a particular quality exceeds the numbers available. When this happens, the Civil Service must adapt itself decisively to the situation. This may mean accepting recruits with lower educational qualifications than is desirable and seeking to raise their standards of performance by additional training. It may call for a reorganisation of work to permit the best available people to be deployed in the most effective way. In short, the Civil Service generally should appreciate the various devices that can be employed to meet conditions of shortage, and should be ready to resort to them whenever the need arises.

8. It may be that in the future all organisations will need to employ a larger number of short-service and part-time employees than hitherto, particularly if the maximum use is to be made of married women who received a good education before family duties caused them to withdraw from the labour market. If the Civil Service is to exploit these possibilities to the full, it may well have to review its present superannuation arrangements. A large and increasing proportion of employers put all their employees into a superannuation scheme, and the Civil Service may well suffer if it does not do the same. This would mean no temporary (or unestablished) posts except in very exceptional circumstances.

9. With regard to recruitment procedures, there is perhaps less cause for equanimity. During the last twenty years, many firms in commerce and industry have developed conditions of service for their employees not markedly different

from those previously to be found in the Civil Service. Moreover, the employment situation has changed radically from that hitherto known by those now in responsible positions, and one of the consequences of this has been the development on a substantial scale of commercial recruiting agencies. It is apparent from the daily newspapers that commerce and industry will spare neither time nor expense in recruiting the kinds of staff they require for senior positions.

10. The Civil Service Commission and the departments that engage in direct recruitment have adapted themselves to some extent to this new situation, but may not yet have responded fully to the needs of the times. It is, of course, necessary for the Commission to maintain standards, as far as possible, and to ensure that no one obtains entry to the Civil Service by improper methods. It is questionable, however, whether this second consideration is a very real danger at the present time, and whether a more vigorous and skilful effort is not called for to secure more effective results. The Committee may wish to consider, for example, whether the separate recruitment of graduates with good degrees and of those with lower degrees is necessary; the alternative would be for all graduate applicants found suitable for employment in the Civil Service to be offered an administrative or executive post in accordance with their qualifications and the assessment made of them by whatever systems of competition are used. As to competitive systems, the Civil Service appears to be alone in having its own graduate level examination system, and the Committee will no doubt consider whether, in the case of university graduates who have reached an appropriate level of academic performance, recruitment should continue to be based, even in part, on a further academic test.

Mobility between Civil Service and Outside Employment

11. Mobility between the Civil Service and the other public services and between the Civil Service and commerce and industry is often advocated; no doubt there is much to be said in favour of this. If mobility is to be secured by temporary exchanges of staff, for example, by an official of the Department of Education and Science taking a post for a year or two in a local education authority and the occupant of that post moving to the one vacated in the Department, no problems are likely to arise beyond those caused to the officers left behind in helping the newcomers to find their feet and carrying extra work loads while they do so. Each of the transferees can remain in the employ of his original authority, and there will be no difficulties in regard to pay or pensions.

12. The recruitment of staff in mid-career from industry and commerce and the release of experienced Civil Servants to other employers for permanent work is, however, likely to be a more complex operation in which (i) the possibility of transferring pension rights and (ii) the levels of remuneration and conditions of service in the respective spheres will be of considerable significance. There are arrangements at the present time which facilitate transfers of pension rights between various branches of the public services, but there is much less opportunity for such transfers between industry and commerce and the Civil Service. This deficiency would have to be rectified before there could be reasonably free mobility. So far as remuneration and other conditions of service are concerned, these would need to be comparable at various levels to achieve a satisfactory

two-way flow. If they were notably higher either in the Civil Service or in industry there would tend to be movement in one direction only. In considering these matters, the Committee will no doubt wish to ensure that any proposals they may make in favour of mobility will not leave the Civil Service with what might be termed an adverse balance of trade.

Age of Retirement

13. Retirement from the Civil Service at the age of sixty for both men and women has been the rule since the Superannuation Act of 1859. Many circumstances have, of course, changed since then. Average expectations of life have considerably increased, and for many people mental alertness and bodily vigour now extend to later ages than was usual a century ago. With improving standards of living and the advance of medical science, these trends should presumably continue. Moreover, the State social security scheme provides for retirement of men at age sixty-five, but incorporates an incentive to encourage continuation in work until seventy. Superannuation schemes in local government and the nationalised industries tend to operate on a retirement age of sixty-five for men, as do many schemes in industry and commerce. It would seem to be appropriate, therefore, for the Committee to consider recommending a change to bring the Civil Service into line with outside practice. The R.I.P.A.'s research study on *Public Sector Pensions* by Gerald Rhodes may be of help to the Committee in their consideration of this matter.

Classes and Grades

14. A feature of the present-day Civil Service is the large number of different grades it contains and, even allowing for its size and diversity, it is for consideration whether there need really be so many. Refined stratification is to be avoided as far as possible because the more grades in a structure and the larger the number of structures of a similar type, the greater the scope for union and other pressures, the greater the amount of establishment work required, and the more barriers there are likely to be to a good man rising on his merits. The Committee may wish to consider whether there should be a smaller number of promotion ladders, each with a variety of entry points, on which broad ranges of staff should be free to try to climb at the speeds appropriate to their diligence and ability. The Treasury's proposals on the merging of the Administrative and Executive Classes would clearly be a move in this direction, but further action to merge similar grade structures may also be desirable.

Administrative Specialisation

15. One of the main characteristics of the British Civil Service has been the existence of the Administrative, Executive and Clerical Classes as corps of general administrators, the members of which are expected to be capable of undertaking any duties appropriate to their respective classes and grades. This theory is not followed in practice to its fullest possible extent, but it is nevertheless true that the British Civil Service has employed generalists to a substantial degree and, conversely, has been disposed to limit specialisation. There are at least three

main reasons why specialisation will have to play a greater role in the Civil Service than hitherto:

- (a) The rapid increase in human knowledge has led to greater specialisation in many spheres of activity, e.g. industry and the universities, and the Civil Service itself will have to specialise if it is to understand and control, when that is required, important sections of the economy.
- (b) As governments acquire more numerous obligations, the policies they have to pursue become increasingly complex, and those responsible for initiating and managing those policies need thorough acquaintance with the areas of activity to which they relate.
- (c) The administrative aids to policy formation and execution have been greatly expanded in recent years, e.g. techniques such as operational research, cost/benefit analysis, work study, the development of the computer, and these call for the employment of a range of specialists who are trained and skilled in the techniques and operations concerned.

The first two of these factors means that there may need to be a greater specialisation on particular kinds of work, i.e. longer periods of duty for the individual officer in the same branch, and perhaps a greater regard to the aptitudes of individuals for particular kinds of work in the process of staff deployment. The third will mean a greater use of specialists of generally recognised kinds.

16. These requirements, if correctly assessed, will not necessarily call for a very radical change in the general structure of the Service. The broad functions of the Administrative Class, as it at present exists, will remain an essential element in the country's system of democratic government; but the administrator must keep himself informed on the technical aids which can support him in his work. He must do more than co-operate with the expert in the formulation and execution of policy. He must become something of an expert himself to make such co-operation possible. Apart from administration, there will no doubt always be large blocks of work of the kinds for which the Executive and Clerical Classes have been found to be both suitable and valuable.

17. The development of greater specialisation will, however, raise problems of staff management. Early specialisation might reduce the kinds of work on which a young man is able to try his hand, and could sometimes lead him to make his main career in a field of activity in which he is not able to achieve his full potential development. This danger places an additional responsibility on the establishment officer charged with staff postings, and underlines the need for the greatest flexibility in any reorganised Civil Service structure. A substantial degree of specialisation may also bring with it the disabilities that can be caused by a long period of work within a restricted intellectual range and, conversely, fail to develop the broad vision and the capacity to be versatile which are likely to result from a varied experience. These problems will have to be recognised, and positive measures taken to counteract them.

18. Under a system of greater specialisation, problems of some difficulty may arise in regard to promotion. One of the advantages of the present system of large generalist classes of officers trained to be reasonably versatile is that it

affords the possibility of broadly equal opportunities for promotion. No doubt some Civil Servants will enjoy engaging in specialised work and find a satisfaction in it. It is doubtful, however, if many of them will be ready to contemplate a slower rate of promotion than some of their colleagues of equal seniority, merely for the enjoyment of that satisfaction. This is another staff management aspect which will require special consideration.

Relation between Generalists and Specialists

19. These trends will increase the possibilities of friction and misunderstanding between generalists and specialists, and steps must obviously be taken to ensure that such undesirable consequences are kept to a minimum. One such step is to endeavour, by training, to secure proper understandings of the roles which each of them perform. To this end it would be helpful if members of the Administrative Class ceased to describe themselves as "amateurs", and sought to stimulate a wider understanding of the fact that the good generalist must, by definition, have acquired by practice and experience a high degree of professionalism. It need hardly be said, of course, that organisational arrangements must be made to encourage close team-work between generalists and and professionals, and, indeed, between professionals of various kinds.

20. On the question of specialists being appointed to the Administrative Class, Sir Richard Way has said that in his experience young scientists, for example, do not aspire to be administrators, and that such aspirations are generally strongest among the older ones who have failed to reach the highest rungs of the promotion ladders they favoured in their youth.¹ If Sir Richard's views are relevant to specialists generally, as in some measure they probably are, and if the Service wishes to have a part of the Administrative Class recruited from specialists, it is for consideration whether it should not seek to attract them into the class at a fairly early age, and subject them to the same kind of experience and training as the direct entrants to the class. Specialists of mature age cannot be expected to become first-class administrators overnight and merely by the light of nature.

Training

21. It is now universally recognised that if the best use is to be made of the available staff, training is clearly of the utmost importance. In the twenty years that have elapsed since the Report of the Assheton Committee, Civil Service training has passed through a number of distinct phases, some of which were dominated by considerations of short-term economy rather than of long-term efficiency. During the last few years, training has been on an upward trend. The establishment of the Centre for Administrative Studies, the appointment of a Committee to review the need for a Civil Service staff college, and the strengthening of the Training Division in the Treasury seem to the Institute to be steps in the right direction. It is still a matter for consideration, however, whether the present trend has yet gone far enough. For example, is it possible

¹ Sir Richard Way, who was then Permanent Secretary to the Ministry of Aviation, gave evidence on these lines to Sub-Committee E of the Estimates Committee on 5th April, 1965. Questions 470 to 486 refer.

that recent developments are too closely confined to the Administrative Class, and that much more needs to be done for the middle grades of the Service? Has the emphasis at the Administrative Studies Centre been concentrated too much on economics and quantitative analysis? Is enough done to train professional staffs in the arts of management? It is believed that questions of these kinds will merit the Committee's scrutiny.

Control and Management of the Service

22. The reposing of responsibility for Civil Service management in the Treasury is a matter which now deserves keen scrutiny on two grounds: the efficient organisation of the machinery of government as a whole, and the efficient operation of the establishment function in the government machine. The Civil Service must, of course, be managed centrally by a body of undoubted importance, but it is by no means certain that this can best be done by the country's Ministry of Finance. In recent years the financial and economic tasks falling on the Treasury have become exceedingly heavy, and its political heads bear immense responsibilities in these matters alone.

23. As far as the Establishment side of the Treasury is concerned, it is doubtful whether there are now very strong reasons for it to be in close proximity to those responsible for determining financial policy and holding the nation's purse strings. The size and cost of the Civil Service are determined to a large extent by Parliament and the policies it enshrines in legislation, and by the management efficiency of the various major employing departments. With regard to the general levels of remuneration in the Civil Service, the establishment of the Pay Research Unit and the Standing Advisory Committee on the Pay of the Higher Civil Service must have narrowed the scope for argument, negotiation, and bargaining. It is true, of course, that the Government will require the Civil Service to abide by national income policies, but placing the responsibility for management control of the Civil Service in the Treasury does nothing to assist this particular process.

24. Apart from these considerations, it is questionable whether the separation of the responsibilities for recruitment and for other aspects of Civil Service management is now desirable. If difficult labour market conditions are likely to persist, it would be advantageous to bring together the Civil Service Commission and the Establishment side of Treasury, so that the inter-acting problems which each of them encounters can be dealt with under the one management and the one roof. Such an arrangement is understood to be working successfully in other countries, and the Committee will no doubt wish to assess its advantages in comparison with the system of divided responsibility now in existence.

25. Should the Committee decide that there is a case for relieving the Treasury of the responsibility for management of the Civil Service and combining its present functions with those of the Civil Service Commission, questions arise as to the Ministerial responsibility for the new organisation and the form which that organisation should take. There seem to be three main possibilities:

- (a) A Minister for the Civil Service with a normal department.
- (b) A Civil Service Board responsible to the Prime Minister.

- (c) A Civil Service Board responsible mainly to a Minister who is the holder of one of the sinecure offices, but for certain purposes to the Prime Minister.

These various possibilities are considered in the following paragraphs.

26. The idea of a Minister for the Civil Service has some inherent disadvantages. It is unlikely that the volume of work requiring Ministerial consideration would be sufficient to occupy fully a senior Minister. Also, the Prime Minister must clearly retain responsibility for the overall effectiveness of the Government machine, and it is desirable that he should continue to approve the most senior Civil Service appointments. This is not therefore a solution which, at first sight at any rate, can be strongly commended.

27. The Civil Service Board form of organisation is one which already operates in other Commonwealth countries, notably in Australia and New Zealand. Such a Board would be composed of eminent and independent persons, including some with wide Civil Service experience at the highest level. This Board would deal with recruitment and the normal business of management without detailed Ministerial direction. Some of the Board members could be given special functional responsibilities. There would, of course, have to be ultimate Ministerial control of the Board, and for the reasons stated above there is much to be said in favour of this responsibility residing with the Prime Minister.

28. A possible objection to the foregoing proposal is that the Ministerial work involved, although insufficient to justify a special Minister would, as a whole, make a burdensome and unacceptable addition to the Prime Minister's already heavy duties. If this should be so, then there would be arguments in favour of making the Board mainly responsible to a Minister who holds one of the sinecure offices, subject to the over-riding responsibility of the Prime Minister for matters of the highest importance of the kinds already referred to. (See Appendix for Commonwealth references.)

29. The new organisation, whatever its form, would naturally take over the management services and training duties at present performed by the Treasury. With the development in recent years of the computer and of a variety of sophisticated management tools, the work of these former Treasury Divisions will grow in importance. It would be one of the tasks of the new organisation to ensure that the potentialities of the computer and of modern methods of management were realised as fully as possible throughout the Service. It could also be given responsibility for undertaking research into methods of consultation with industry and other bodies with whom the Service has close contacts, and into methods of disseminating information and of collecting intelligence.

30. It is for consideration whether an Advisory Council on the Civil Service should be appointed to assist the authority responsible for Civil Service affairs. This Council might consist of about 10 or 12 persons chosen from men and women of repute and experience in industry, commerce, academic life, local government, journalism, public relations, etc. They would be people well disposed towards the Civil Service, yet sufficiently independent to be able to detect weaknesses which may not always be evident to those working inside the

Service. The object would be to provide a means for bringing outside views to bear on Civil Service problems, and also to have a body which could help to defend the Civil Service from some of the unfair attacks and uninformed criticisms which are so frequently made against it.

31. The public relations of the Civil Service as a whole (as distinct from the public relations of individual Ministries) often give rise to difficult problems, and the authority responsible for the control and management of the Civil Service could also well be charged with the prime responsibility for the Service's public relations. The Civil Service should enjoy a good image in the mind of the public—not a better one than it deserves but, equally, not a worse one either. A just reputation is desirable for the Service's self-esteem, for the purposes of recruitment, and for the health of democratic government.

APPENDIX

NOTE ON CONTROL AND MANAGEMENT OF THE CIVIL SERVICES IN AUSTRALIA, CANADA AND NEW ZEALAND

1. Major enquiries have recently been undertaken into the Canadian and New Zealand Civil Services by Commissions under Mr. J. Grant Glassco and Mr. Justice McCarthy respectively. Reports of both these Commissions were issued in the summer of 1962.

2. The Report of the McCarthy Commission in New Zealand will probably be of the greater interest to the Fulton Committee, because it deals with a unified service in a unitary state. In an article entitled "The Royal Commission on State Services in New Zealand and the State Services Act 1962" in the spring 1965 issue of *Public Administration*, John F. Robertson described the main features of the Commission's report, and the decisions which the Government had taken on it. In a subsequent article in the September 1965 issue of the *New Zealand Journal of Public Administration*, Mr. Robertson wrote on "Efficiency and Economy in the New Zealand Public Service", and the role of the State Services Commission in the pursuit of these aims.

3. The Glassco Commission's Report in Canada was the subject of a critical article by Professor D. C. Rowat in the summer, 1963, issue of *Public Administration* entitled "Canada's Royal Commission on Government Organization". The Report was also the subject of an article by G. V. Tunnoch in the September, 1964, issue of *Canadian Public Administration* entitled "The Glassco Commission: did it cost more than it was worth?".

4. In Australia there is long experience of the public service board method of Civil Service control and management in both the states and the Commonwealth governments. These Boards have been the subject of much discussion on their methods of working and general efficiency, but there does not seem to have been any fundamental reviews in recent years of the constitutional position of the Boards and the arrangements for ministerial responsibility for them. A recent

book, *Career Service* by Gerald Caiden, a research fellow in political science in the Australian National University, provides a good introduction to the history of personnel administration in the Commonwealth Public Service of Australia from 1901 to 1961.

5. The reports and publications mentioned above are in the Institute's library.

MEMORANDUM No. 108

submitted by

THE ROYAL SOCIETY

November, 1966

1. Introduction

The Council of the Royal Society gladly accepts the invitation to submit evidence to the Committee on the Civil Service. Its evidence is concerned mainly with the use made of scientifically trained people (a category which it regards as including mathematicians; physical, chemical, biological and medical scientists; exponents of all the engineering and technological disciplines; and economists and sociologists) rather than with the total structure of the Civil Service.

2. Need for greater use of the administrative abilities of the scientifically trained

2. The Society considers that insufficient use is made, within the upper ranks of the Civil Service, of the administrative abilities of the scientifically trained. An increasing proportion, already well over half, of the country's intellectual talent is graduating in these scientific disciplines.

3. No doubt intellectual ability, whether humanist or scientific, is only rarely combined with those additional gifts needed to make a good high-level administrator. But there are many scientifically trained people who do have these qualities, and industry values and makes good use of such individuals. The upper strata of Governmental administration are impoverished by failure to include a substantial proportion of them.

4. There are two principal methods by which an improvement should be attempted. First, a greater proportion of the scientifically trained should be brought into the Administrative Class, at various ages of entry (see paragraph 3). At the same time those at school and university need to be made aware of what is being done in this respect. Secondly, there should be more flexibility whereby posts at present designated to be held by members of one Class only should be opened more widely. For example, breadth of ability and experience may make a member of the Scientific Class suitable for appointment as an Under Secretary, Deputy Secretary or even Permanent Secretary. Developments on such lines that have been started in the Ministry of Technology, one of the Departments that can select from a large Scientific Class population, are welcome, and appear suitable for more widespread adoption.

5. In Departments that lack scientifically trained personnel, even in professional-class enclaves, the need for some at least of the higher administration to have had a scientific training is just as strong, if not stronger, in order that new methods of inquiry of a scientific character may be increasingly applied, where

appropriate, to the Department's problems. Again, in these Departments as in others, excellence will be lost if their higher administration is recruited from less than half of the country's pool of intellectual ability.

3. Methods of Recruitment

6. The Society recognises that substantial efforts have already been made to recruit into the Administrative Class able people who have just graduated in mathematics, the natural sciences or the technologies, but that these efforts have not had the success that might have been expected. In the years 1959-65 the proportions of mathematicians, natural scientists and technologists among those recruited into the Administrative Class have been 4, 4, 11, 14, 3 and 10 per cent, respectively. We believe that, for the reasons given in paragraph 2, such efforts must be further intensified, and more publicity given to them. But we appreciate that a sufficiently marked improvement may not be obtainable especially because the most able of those graduating in the scientific disciplines usually desire to practise, at least for a time their scientific discipline directly in research, development, design or industrial organisation.

7. A determined effort, on the other hand, to recruit individuals, who already for some years since graduation have been making a real success in one of these spheres—in other words, those who have been actively engaged in the sciences and their application, could add valuably to the breadth of experience in the Administrative Class. The Society believes that many of those individuals would be interested in a change to administrative work if the experience they have had were seen to be valued by their new employers, notably in respect of the seniority accorded to them. It is especially desirable that able engineers, technologists and economists who have acquired industrial experience, including experience of commercial criteria and their all-important interactions with considerations of other kinds, should be recruited in this way.

8. Nevertheless, as mentioned in paragraph 2, the Society believes that even all this activity is unlikely to be sufficient, and for this reason recommends also the use of members of the professional classes with a suitable spectrum of abilities to fill posts at present reserved for members of the Administrative Class.

4. Mobility

9. All our propositions have converses, to which we also attach importance. For example, certain posts at present reserved for members of the Scientific Class could be filled excellently by carefully chosen members of the Administrative Class. Furthermore, there are important advantages to the country as a whole to be achieved by the movement of some able men, who have acquired valuable experience in the Civil Service, into industry. We believe, in fact, that it should be made easier for members of both the Administrative and Scientific Classes to transfer to posts in industry.

10. In regard to the Scientific Class, it is noteworthy that the United Kingdom has a substantially larger proportion of its scientifically trained people in Government research establishments than most other Western countries. Consideration

needs to be given to the question whether this is in the national interest, or whether some workers would not be more profitably employed elsewhere. If mobility were established, then the tendency for Government research establishments to be inflexible would be diminished.

11. Permanence is almost the hallmark of a Civil Servant's appointment, but it is questionable whether it is a desirable feature, especially when industry is critically short of scientists and technologists. The Society considers that appointments to posts with tenure are made much too early both in the Scientific Civil Service and in universities. It should be made far easier for scientists to move in and out of posts in the Civil Service; one of the greatest blocks to mobility is the Civil Service pension scheme and the fact that there are no pension benefits for those leaving before age 50 to go into private industry. This scheme should be revised to encourage movement of people, both temporarily and permanently, between Government establishments, industry, finance and the universities.

MEMORANDUM No. 109

submitted by

THE ROYAL STATISTICAL SOCIETY

January 1967

The Royal Statistical Society is grateful to the Fulton Committee for the opportunity given to it to submit evidence. Fellows of the Society clearly have views on the wider implications of the Fulton Committee's remit but feel that probably the Fulton Committee would wish the Society to restrict its comments to Statisticians in the Civil Service and their relationships with other grades.

2. Attention is drawn to the fact that the Royal Statistical Society gave evidence to the Sub-Committee on Economic Affairs of the Estimates Committee, and possibly the Fulton Committee may wish to refer to that evidence; which evidence was restricted to Statisticians working in the social and economic fields.

3. In the evidence now put before the Fulton Committee, the wider implications of the use of Statisticians in the Civil Service is considered.

4. We feel that the Civil Service has fallen well behind Industry and Commerce in this country, and even behind Government service in many other countries, in the number of Statisticians employed and in the scope provided for their influence. We repeat what we said to the Estimates Committee:

"We feel that insufficient emphasis is given by the Government and the Civil Service to the role that the Statisticians should play in technology, in research and in numerous fields of application outside the social and economic ones which we were asked to consider."

5. Statisticians in the Civil Service at present fall into three main groups:

- (a) Those specifically employed in the Statistician Class.
- (b) Statisticians employed in the Scientific Officer Grades.
- (c) People with statistical qualifications employed in grades other than the Statistician Class or the Scientific Officer Grades.

Each of these groups is considered in turn:

(a) Those specifically employed in the Statistician Class

Here we would stress the evidence given to the Sub-Committee of the Estimates Committee. Many of the points we then made are included in the following:

- (1) The number of Statisticians employed in the Government Service is pitifully small. We feel that steps should be taken to increase the

establishment of Statisticians in most of the Ministries—this as a matter of urgency.

- (2) The starting salaries of Statisticians in the Civil Service compare unfavourably with those in the universities and in industry.
- (3) The career prospects of Statisticians in the Civil Service do not appear to be good enough in relation to the Administrative Grade in the Civil Service, and also in relation to career prospects and, in particular salary levels in commerce and industry.
- (4) Much more "P.R." needs to be done to make the Civil Service career attractive to Statisticians.
- (5) Financial and other support should be given to University Departments responsible for training Statisticians, as the present shortage is a national one and not peculiar to the Civil Service. The problem will only be solved by a fundamental approach to the problem of providing further facilities for training more Statisticians.
- (6) We had considerable evidence that too much time was spent by trained Statisticians doing work, often of a clerical nature, which would normally be done elsewhere by supporting classes. We noted that in the Civil Service there were no official supporting classes for Statisticians, and would advocate the establishment of a special statistical executive class recruited with sufficient mathematical qualifications to enable them to undertake more of the routine work, and possibly to qualify, while working, for the examinations of the Institute of Statisticians (e.g. through day release schemes). The better members of such a group should be eligible for promotion to the Statistician Class, if they obtain suitable qualifications.
- (7) Because so many Statisticians are employed on routine work, the possibilities of research are limited and we feel that research is one of the things that ought to be undertaken in a much bigger way within the Civil Service.
- (8) The present Cadet Scheme for Statisticians in the Civil Service is looked upon with favour and we would like to see this expanded. It is important to stress that recruitment in the Statistical Classes may demand other qualities in addition to the possession of a degree; this is particularly important where Statisticians are called upon to serve in an advisory capacity when high level decisions are being taken.
- (9) With the increasing use of computers and the setting up of special computer units, the importance of having Statisticians attached to such units is stressed.

(b) Statisticians employed in the Scientific Officer Grades

In this particular group the Statistician does not appear to have a good career structure. In particular the "jump" from Assistant to Statistician, available in the Statistician Class, is not available in the Scientific Officer Grades. Statisticians serving in this grade are equally important to those in the Statistician

Class and similar steps to those advocated above for the Statistician Class should be taken, in order to increase the numbers available and improve their working conditions.

(c) People employed in grades other than the Statistician Grade or Scientific Officer Grades

We obviously feel that the possession of a statistical qualification is a great advantage in many other situations than those covered by (a) and (b) above. In particular we would stress the importance of including statistical training as an essential part of the wider concept of management training. Anyone possessing statistical expertise, together with the other requisite qualifications, should be eligible for consideration for the highest posts in grades other than those normally occupied by the Statistician.

6. Evidence was given to us that the question of location mattered a great deal and, particularly where the Statisticians were part of the supporting staff answering Parliamentary questions, it was felt that they should be either in London or in its proximity. If the whole of a Ministry moved, then obviously the Statisticians would go too, but where a major part of a Ministry remained in London, it would be important that the Statisticians should also remain and be easily available for consultation.

7. On a number of occasions when considering evidence for the Estimates Committee and also evidence for the Fulton Committee, our attention was drawn to the difficulties of transfer in and out of the Civil Service. We feel that such transfer, particularly in the Statisticians' Grades, would be of great benefit to the Statistician, and often to the Civil Service, and we would urge that immediate steps be taken to overcome the present difficulties particularly with regard to pensions. Another area where difficulty sometimes appears to occur is over "special jobs", we are told that sometimes where a case has to be made to the Treasury for these "special jobs", as can be the case with some temporary appointments, the individual concerned is likely to suffer in his subsequent career.

8. We would like to end by praising the steps that have been taken to improve the amount of data that is available to the public from Government sources, by stressing the urgent need to increase the flow of information and underlining the vital necessity for the Civil Service to increase the number of Statisticians it employs and extend the scope offered to them.

MEMORANDUM No. 110

summary of evidence from

HEADMASTERS AND HEADMISTRESSES OF SCHOOLS

The Committee wrote to the headmasters and headmistresses of 44 schools in England, Wales and Scotland to seek their views on the attitudes towards the Civil Service of school-leavers who leave school with "A" or "O" level passes in G.C.E., but do not go on to higher education. The schools, which were largely selected on the advice of the Directors of a number of Education Authorities, included independent and direct grant schools as well as grammar, comprehensive and technical schools maintained or aided by the Authorities. The Committee also invited the views of "The Joint Four"—the Joint Executive Committee of the Association of Headmasters, Headmistresses, Assistant Masters and Assistant Mistresses.

Evidence of the Joint Four

The Joint Four sent us the following memorandum.

"Your letter of 26th July was considered this month at the meeting of the Joint Four Careers Sub-Committee who welcomed the opportunity of giving evidence on the question of school-leaver recruitment to the Civil Service. The Sub-Committee wish to submit the following comments which they hope will be of use to the Committee on the Civil Service.

1. Except in some areas where there is a tradition of entry into the Service, young people in general show little enthusiasm for a career in the Civil Service in any of the three classes mentioned, and entry is often made, therefore, in a negative frame of mind rather than as a positive decision or choice of career.

The more able pupils will have qualifications at the end of the sixth form course which will enable them to enter universities or other institutions of higher education, and many will wish to do so. Girls with these qualifications who do not go on to university or college prefer to enter a profession which will lead to a recognised qualification, one which will stand them in good stead after marriage; we are informed that the Civil Service places considerable difficulties in the way of returning to work after marriage. Some young people who might be interested in entering the Executive Class are deterred from applying by the wait for interviews until "A" Level results are known and the further wait before notification of appointment.

The Clerical Class appeals to girls, but less to boys, who do not remain at school after taking G.C.E. at "O" Level and who want a secure, steady job locally. This Class, with its entry qualifications is not, in general, as attractive to the less able as, say, clerical or secretarial work in commercial organisations, banking, insurance or local government service.

The Professional, Scientific and Technical Classes attract only a small number, as the really able will go on to further education and/or university, or will be attracted to industry. A few who wish to continue some form of scientific laboratory work, but who have not the ability to take further educational qualifications, are attracted to the Scientific Officer Class.

2. Problems of arousing the interest of young people in a career in the Civil Service arise from the unfortunate public image of the Service and the conception, which is difficult to dispel, that it offers dull, routine work, without great prospects of promotion; from the disparity between the form and content of Civil Service recruitment literature and those of the recruitment literature of public corporations and private firms, and from the lack of a clear idea of what the day to day work in the Service entails.
3. The view of the Committee is that in general the attractiveness of a career in the Civil Service has fallen considerably in almost all areas in recent years.
4. The attractiveness of the Civil Service could be greatly increased by a more realistic campaign of recruitment carried out with colourful and appealing publicity—detailed information about the appointment to specific branches of the work, conditions of service, the prospects and advantages of a Civil Service career; by better public relations and a more personal recruitment procedure; (lively speakers from different branches of the Service, films and film-strips, posters, illustrated coloured leaflets could help here); by speeding up the interview and selection procedure and co-ordinating it more closely with the school year; by providing hostel accommodation for girls who have to live away from home and by making the Service more attractive to married women.
5. There is a marked tendency to recruitment of graduates in many fields of employment, but until there is a much higher percentage of graduates in the Civil Service it is difficult to envisage what the effect of a larger graduate entry would be. It would seem to lessen the chances of promotion of those entering the Executive Class on leaving school, and if that were the case, to lessen the attractiveness of the Service to non-graduates. As the majority of leavers with "A" level qualifications now go on to university or college, more of them might be recruited through a larger graduate entry. We consider it would not greatly affect recruitment to the Clerical Class, especially of girls, as at 16 or 17 most of them do not plan their careers so far ahead."

Evidence of the individual headmasters and headmistresses

The replies of the individual headmasters and headmistresses are reproduced at Annex A. The points most commonly made were:

- (a) Able boys and girls who gain passes at "A" level now want to go on to further education: if possible to a university, if not to teacher training. The majority do not really think of the Civil Service as

a possible career at this stage, unless they fail to gain these prior objectives. Schools therefore generally supported the Treasury's proposal to aim at a wider graduate entry to a merged general management group, though some thought that able school-leavers would be deterred by the fear that their promotion prospects would thereby be diminished.

- (b) The Clerical Class offers little appeal to boys and girls at grammar school who are able enough to gain 5 passes at "O" level, and who are increasingly staying on at school. Some schools thought 5 "O" levels too high a qualification for clerical work. The Clerical Class is however attractive to the less ambitious and where local employment opportunities are poor.
- (c) The opportunities in the Scientific and Technical Classes are not widely known, but appeal to some specialists (mainly boys).
- (d) In general, the attractions of the Civil Service as a job for those who do not go on to higher education seem to have remained fairly steady in recent years, though some comment that the appeal of a secure if apparently rather dull job is less than it used to be.
- (e) There is some fairly wide-spread criticism of the publicity material and methods.
- (f) Delays in the recruitment procedure result in good candidates finding jobs elsewhere.

ANNEX A

The following questions were put to the headmasters and headmistresses:

1. What are the attitudes of young persons, who have the necessary qualifications, to a career in the Civil Service, (a) in the Executive Class (2 or more "A" levels), (b) in the Clerical Class (in general 5 "O" levels), (c) in the Professional Scientific and Technical Classes (insofar as young persons are eligible for recruitment to these classes)? Do they, by and large, know about this possibility? If so do they consider it seriously?
2. Has the attractiveness of a career in the Civil Service been increasing or decreasing of late?
3. Would the attractiveness of the Civil Service be increased by changes in publicity, recruitment procedure, conditions of service, etc.?
4. What would be the effect on the attitudes of young persons of changes in the class structure of the Civil Service, and in particular, a larger graduate entry?

Some of the replies reproduced below refer to these questions by number.

NOTE

submitted by

Mr. V. J. Wrigley, Headmaster, Apsley Grammar School, Hemel Hempstead

September, 1966

1. (a) I have had one or two interested in the Executive Class recruitment but by and large those who can get two "A" levels of any kind in Science and two reasonable "A" levels in Arts nearly always consider higher or further education of some kind, such as advanced secretarial, if girls, or prefer a Bank etc., if boys. I have just had a boy who had started in the Civil Service Executive level withdraw at once on getting "cleared up" by U.C.C.A.

(b) The Clerical grade has appealed to a few who wanted to leave school after "O" level and who wanted to earn at once, but usually they have found the work dull, if they are bright enough to have five or more "O" levels. Usually the boys of the five "O" level type, and most of the girls, stay on for VIth form work. The only two able pupils I have had who went into the Clerical grade, soon left because of the dullness of the work and lack of interesting openings. Girls are, however, readier to consider it than boys, and being less ambitious, may well be content with the duties at this level.

(c) Not many know of this, but we have close contact with the Building Research Station at Garston and one or two may have entered. One quite good "failed B.Sc." withdrew at the last moment—why I did not discover. But my Careers Master reports that the Laboratory jobs are popular.

2. My experience as a Headmaster does not reach back more than eleven years and I have not noticed much change in that time. At an earlier period, of course, grants for university were not easy to get and I well remember an able boy in 1939—very suited to University—going into the Executive Class. He would certainly have gone to University today.

3. I have my doubts. All the glossy publicity has done singularly little for the Army. Cost per recruit must have been enormous. Conditions of service are another thing; people think—perhaps rightly—that there is a lot of dull, repetitive work and little opportunity for initiative.

4. I am sure that the answer lies in:

- (a) recruiting for routine jobs at a lower level than five "O"s. Those usually seem to be worthy people capable of the dull, office routine.
- (b) recruiting graduates of *all types* for higher jobs and abolishing the distinction between the "A" level Executive Class and the highly selective Administrative Class. The present recruits to the latter might have to start at a lower salary than now (but compare low *starting* salaries of dons, doctors and even solicitors) and be given opportunities for accelerated promotion through staff college courses etc. Why not have allowances similar to the Burnham Scale—i.e. 1st class degree, higher degree, good honours degree and allowances attached to posts not persons?

- (c) More good graduates might come in to certain posts as specialists—e.g. Economists and others rather than 1sts (or 2nds) in "Greats" for the Treasury, School-masters for the Ministry of Education and Science (not just as Inspectors). There is a wealth of administrative talent among schoolmasters: I have at least four exceptionally able administrators on my staff who have inadequate outlets for their talents now. They are not necessarily quite the top intellects, but may feel that they want more opportunity for initiative and independence than the Civil Service gives and they would want to enter at a level that would give them a possibility of an interesting career.

General

1. I think many informed people feel that the system of "minuting" used so much in the Civil Service is wasteful of time and manpower and thwarting.

2. Many children have their views of the Civil Service coloured by their parents' reactions to inflexibility, complicated nature and possibly even inefficiency of services which are in touch with the public, such as the Post Office, Tax Offices etc.

3. Very few boys in an area such as this go straight into employment after "A" level. For the few who do there is much competition.

NOTE

submitted by

Mr. A. D. Lewis, Headmaster, Ardwyn Grammar School, Aberystwyth

November, 1966

In response to your Committee's request for written evidence concerning the attitude of young people towards the Civil Service as a career, I have attempted to collate the opinions of two groups of pupils—100 Fifth Formers who will be taking their G.C.E. "O" level examination next June, and some 160 Sixth Formers, 50% of whom will be sitting for their "A" levels next June.

2. Perhaps I should begin by saying that the Civil Service is not alone in wishing to improve its recruitment and in having to attempt to overcome the difficulty of presenting information of an acceptable kind and of an adequate volume. I do not think there is much of a problem with regard to the Clerical Class, for in spite of the fact that comparatively few of the Fifth Formers mentioned above have so far seriously considered the possibility of a career in the Civil Service, I am certain that this year will be no different from past years in that there will be a steady trickle to Clerical appointments in the local Civil Service offices. I was rather surprised to find how little is known about the Civil Service by the public in general and some pupils did not realise that clerical workers in the Post Office were Civil Servants. And this despite the availability of an ample supply of literature and periodical visits by Youth Employment staff and special lecturers.

3. Amongst the older group of pupils, that is the Sixth Formers, it was only a very tiny minority who expressed a serious interest in the possibility of a career in the Civil Service. (For the purpose of this enquiry I think it would be advisable for me to leave aside one special Welsh problem, that is the absence of a strong tradition of entry into the Civil Service.) I find that the publicity we attempt to give has not made a very strong impression upon them. It was only the children of Civil Servants who had any real knowledge of the different grades, for instance, and some of them offered opinions suggesting that promotion through the grades should be quicker—probably the views of their parents. They stated very generally that more information, more publicity was needed, and of a much more up to date and attractive variety.

4. Pupils likely to enter universities frequently said that they might consider the attractions of the upper reaches of the Civil Service and the scientific and technical classes later. I think this is natural and very proper because I consider that to aim at professions in this category requires either a degree of maturity and sophistication not often found in grammar school pupils, or deliberate guidance and direction on the part of some adult within or without the family circle. I have been left with the impression that in spite of serious attempts to instil a more sensible attitude to the Civil Service a good deal of mythology still holds sway. Very many youngsters consider that the image of the Civil Service needs brightening: at the moment it holds little attraction for most of them. They think the work of the lower grades to quote one boy "is just tedious pen pushing routine". A few say that they would consider a career in the lower reaches of the Civil Service only as a "last resort". In fairness it should be said that other pupils were prepared to say that they did not have the impression that the Civil Service had a bad image but agreed that it was supposed to be safe, secure, but rather dull. The seniors, almost without exception, agreed that it is not sufficiently understood that the Civil Service is important, that it is an essential instrument of good government in any modern society. They feel very strongly that it is necessary to stress this aspect to counter-balance "the bowler hat, rolled umbrella" picture. One boy whose father is a university professor said that the work of a top Civil Servant is more important than that of a university don, and even more interesting. He thought that much more stress should be placed on the professional aspect and the need in the government service for economists, sociologists and scientists of all sorts. Quite a few of his contemporaries agreed with him.

5. It appears that the Oxbridge bogey is still abroad. One of my abler pupils had heard that even with a good Honours degree it was difficult to enter the Civil Service (he was vague about the class) because of the selection procedure which was deemed to be strongly biased in favour of Oxbridge candidates. He also thought that there were better career prospects in industry and that the rigid class structure of the Civil Service was a deterrent.

6. I'm afraid schools, together with other agencies directly involved, (the Youth Employment Service for example) must accept some responsibility for young people's failure to understand and evaluate the functions and importance of the Civil Service. Reports such as the Albermarle are already forming the basis of discussion aimed at extending and improving careers advice, and this

development will no doubt receive the attention of your Committee. I feel that we all need to "educate" our school leavers more efficiently in the careers sense.

NOTE

submitted by

Mr. R. L. S. Carswell, Headmaster, Boroughmuir Secondary School,
Edinburgh

November, 1966

I refer to your letter of 20th July, 1966 and am sending you herewith reports from my Careers Master and Careers Mistress which are in the form of replies to three of your questions.

2. We find it very difficult to assess the effect on the attitudes of young persons of changes in the class structure of the Civil Service. One might reasonably expect the proposed increase in flexibility in the deployment of staff to be attractive to the graduate and to have some appeal to the student in school when he is considering the objective of his University Course. But with such students, generally speaking, the nature of the work is a more important factor than career promotion prospects. With regard to those who do not have University entrance qualifications, or who for other reasons do not contemplate a University course, we feel that the prospects opened by the proposed changes might produce a little greater increase in the number of boy applicants than in the number of girls, but that the overall increase would be small. Nonetheless, I think it relevant to add that if the possession of 3 Higher Grade passes (pass mark 50%) were considered to be at least the equivalent of 2 "A" levels (pass mark 40% or less) candidates might be admitted who would prove good recruits to the Executive Class in a reasonably short time. In this connection see the comments of my Careers Mistress in her paragraph 2.

From Careers Master

1. *Recruitment.* I am unable to provide figures giving the numbers of boys from Boroughmuir School who have entered the different grades in past years and am not aware of any trend in recruitment beyond the important one noted in the memorandum, that increasing numbers of pupils who take three or more Highers in the Fifth Year return to augment their passes or to take A-levels to qualify for University entrance.

A survey of boys in Fifth and Sixth Years was made. A Civil Service career appealed to at least 75% of the Language pupils who are not likely to reach the standard for University entrance. Non-University Science pupils did not favour Civil Service employment and some 80% of Scientists aiming to go to University were equally averse to becoming Civil Servants (See 2). I am quite certain that opportunities in the Scientific Civil Service are not as widely known as those in the Home Civil Service (Executive Grade).

2. *The Image of the Civil Service.* Security of employment is the outstanding feature of the image, together with good salary scales and non-contributory pension. Pupils who consider they have marked ability think that they have more chance of gaining rewards commensurate with their ability in private industry and that promotion in the Civil Service is more indiscriminate. A considerable number of pupils stated that they did not wish to have to move to different parts of the country as they would require to do as Civil Servants.

3. *Publicity.* There is a very great need for all information on Civil Service careers to be collected and presented in the most usable form for information of pupils and of those who give guidance on careers. Such a compendium should be cross-referenced to show the opportunities for different specialists: as has been done in "The Scientific Civil Service".

Advertisement of vacancies should be published in collated form at regular intervals. A good example has been set by Army Information Service.

From Careers Mistress

1. The girls of Boroughmuir are well acquainted with the possibilities of a career in the Civil Service and they consider it seriously. E.O., C.O., and (occasionally C.A.); Scientific Assistants; and Diplomatic Service (Grades 10 and 9) are applied for.

2. *Recruitment.*—1964-46 girls applied to sit the *C.O. Examination*. For 34 of these testimonials were asked. This is a similar number of girls to the number applying to Moray House College of Education. 1965-c. 30 girls applied for *C.O. Examinations* (fewer than Moray House applicants).

Both the above sets of applicants include quite a number of University applicants, whose 2nd or 3rd choice of career may have been their C.O. or E.O. application. Nevertheless, among these University applicants to Civil Service, there may be those who will decide on a Civil Service career after graduation.

Session 1965-66—*change to local recruitment* of C.A. and C.O. applicants. (by interview and S.C.E.)

6th and 5th year girls, with much more than the minimum qualifications for C.O., applied for C.O. placing, so as to be able to remain at home. This kept out girls who had more than (or just) the minimum qualifications.

Note: Personal examples omitted in this published version.

I deduce from these examples that the local recruitment procedure could be improved, and that the Civil Service are not necessarily getting the pupils who are best qualified by interviewing first the applicants who have the necessary 5 "O" grades, and then later interviewing those who are "expecting" the qualifications in July.

There was an increase last session in the number of Science girls, who applied for Scientific Assistant positions, and there is also an interest in the Diplomatic Service (Grades 10 and 9).

3. With regard to the new and worthwhile change to local recruitment of C.A. and C.O. applicants, I would add that the new local recruitment procedure will likely "settle down" in its second year. I do not know why the local

officials of the Ministry of Labour do not do the interviewing, as these officials are acquainted with S.C.E. standards and dates of examinations etc.

I found it a great help to have the Edinburgh Youth Employment Officers co-operate with me in informing the applicants when vacancies were open for application, the Youth Employment Office first having received a list of prospective applicants from me.

There is not much variation from year to year in the number of 5th and 6th year girls who apply.

NOTE

submitted by

Miss M. M. Black, Headmistress, Bradford Girls Grammar School

November, 1966

NOTES ON ATTITUDES OF GIRLS IN THE VIth FORM TOWARDS ENTERING THE CIVIL SERVICE AFTER HAVING OBTAINED ADVANCED LEVEL CERTIFICATES

I. Under the present structure of the Civil Service

1. Only a few really wish to enter the Civil Service, and these mainly because it is a safe job with reasonably good salary.

2. Some consider applying if other applications are unsuccessful.

3. The rest do not wish to apply for the following reasons:

(a) Most prefer further education if at all possible.

(b) Interviews and decisions about entry are often delayed so long after Advanced level results that an unsuccessful candidate misses other opportunities and may lose even a year's time in beginning other training.

(c) Their ideas of the Civil Service are not on the whole inviting, e.g.

(i) the work is rather dull and dreary—too much association in their minds with forms and red tape;

(ii) there are more opportunities for boys, and especially in the higher grades the Civil Service is mainly for men;

(iii) they think that the stability and security offered is admirable, but not particularly attractive at their age;

(iv) some think that the work might be interesting but would like more information.

Comments

4. If these expressed opinions are a true reflection of the attitudes of the girls, the Civil Service is attracting dull but competent applicants, or those who would rather be doing something else.

5. It is true that lack of information is one important reason for these unfortunate attitudes. We can give information at school about qualifications, posts and salaries, but not very much certain information about prospects, and very little about what the work is like. Talks from careers advisers from outside have stressed entry to the Civil Service after obtaining a University degree. One or two girls who have been considering Civil Service as one of several possibilities have been able to obtain information privately from people in other work, but not so easily from Civil Servants about their work.

6. The information supplied to the school from the Civil Service looks rather dull and lengthy even though it is concise. More attractive publicity material might help.

7. Girls in the VIth form are inclined to place much importance on the kind of work which is interesting, demands initiative and contributes directly to the welfare of people. It is extremely difficult to obtain enough information about what the work consists of; general statements are not enough to alter the present outlook. If it is possible to have Civil Servants talk with enthusiasm about what they themselves do or what is involved in particular jobs it would no doubt help to dispel some of the misapprehensions about the Service.

8. Interviews and provisional acceptances before the Advanced level examinations, as is common in other spheres, would probably help. It is quite right that those who prefer further education should not be discouraged from pursuing it, but it might be helpful to recruitment to the Civil Service to lay more stress on the fact that training is required after acceptance into the Service.

9. We have found that a recently extended VIth form course consisting mainly of two Advanced level subjects, together with secretarial subjects spread over two years (with for instance shorthand up to 140/160 words per minute) seems successful. One girl has entered the Civil Service and a few more are thinking of it. This course attracts girls who might otherwise have stayed for only one year in the VIth form.

II. Under the proposed structure of the Civil Service¹

10. The removal of barriers between branches of the Civil Service at managerial level appears to us to be a desirable change, and if given good publicity in school could help to make a career in the Service more attractive. We think however that the present structure and its divisions are not factors which have hindered recruitment among girls, who do not always at the age of 17 look so far ahead in their choice of career. When girls look ahead, it is often to full or part-time work which they may take up when their families have grown up. Those, however, who do have ambitions in the Civil Service are likely to take a University degree.

¹ Memorandum No. 1.

NOTE

submitted by

Mr. D. Maland, Headmaster, Cardiff High School for Boys

November, 1966

In answer to your letter of 21st July last, I understand your Committee's concern with recruitment to the Civil Service, but I do not think I can help you very far.

2. From what I can discover from my own experience and from the advice of the Careers master, we have few boys with two or more Advanced levels who want to join the Civil Service directly. They prefer to go on to the University or else to enter Banking, Insurance, etc.

3. Those who gain five "O" levels nowadays almost without exception desire to go on to "A" level, and from what I can see, the Civil Service is not alone in finding a shortage of applicants of that age group.

4. I do not think the attractiveness of a career in the Civil Service has increased or decreased, but such is the prestige that any degree course is now gaining that in my view a larger graduate entry is the thing to aim at. Certainly a great number of other professions are seeking to recruit "A" level candidates where once they were content with "O" level boys, and even more are they looking to the young graduate.

NOTE

submitted by

Miss D. E. Ward, Headmistress, Cathays High School for Girls, Cardiff

November, 1966

In reply to your letter of the 21st July 1966, the following are my observations on the points raised in your letter.

2. *General Note.* This is not a school which includes many "high-fliers" and so does not produce many "managing" girls who can see themselves running an office and controlling other people. They do not envisage themselves carving out a career for themselves which, for instance, would entail the mobility required of the Executive Class Civil Servants.

3. Rather, the Sixth Form show a strongly developed sense of social responsibility and response to people (Sunday School teaching, Voluntary Community Service etc.) and plan to work with people, especially children (work *with* them, not *for* them only).

4. They are, at this stage, uninterested in comparative salaries. Further, they consider that professions like teaching and nursing can be easily carried on wherever their husband's work takes them.

- (1) (a) The majority wish for further training—at University or Colleges of Education. A few choose Nursing or the Medical Auxiliaries. There is often expressed distaste for an "office job". The few who do not feel this dislike prefer a year's Secretarial training (that is still "College") before taking a post. Occasionally girls say "If I cannot get into a College of Education, I shall have to go into the Civil Service", but, quite rightly, doubt their ability to enter a competitive market like that for entry to the Executive class when they have failed in a much less competitive one for a College of Education.
- (b) Again, there is an often expressed dislike of office work. Staying in the Sixth Form and "going to College" is a middle class status symbol here. Only a very small number (between six and ten out of ninety) choose to go into the Civil Service. These are either girls coming from homes with little tradition of further education, or girls not happy in an academic atmosphere, tired of homework etc. or (more usually) girls who just manage to scrape five "O" levels and know they can go no further. But the number of these latter are diminishing, as more and more girls enter non-academic courses in the Sixth Forms.
- (c) Little is known about these classes though there are regular biennial Careers Conventions in the School which Civil Service advisers attend.

There is, however, growing a new awareness of the possibilities of training for Computer work.

- (2) It has been fairly constant over the past six years.
- (3) I hardly think so at the moment for the type of girl I know here.
- (4) There is a feeling that competition for graduate entry is so keen that it is hardly worth entering. A larger graduate entry might obviate this.

NOTE

submitted by

Mr. H. Beardwood, Headmaster, Colfe's Grammar School, Lee, S.E.12

October, 1966

We have given considerable thought to the problems you have raised in connection with the Committee on the Civil Service:

1. (a) Attitude of boys on Arts and Modern side, from which forms the Executive Class mainly recruits, is generally favourable, and numbers joining

the Civil Service at this stage have remained small but fairly steady. Nevertheless the standard has certainly dropped as a result of the much increased numbers proceeding to further education at University and Technical College. The better "failed University" candidates hesitate to join the Executive Grade since the policy of the Civil Service to recruit senior ranks from 1st and 2nd class university graduates suggests a bar to promotion from junior grades; the fact that "A" level school leavers would be unlikely to rise higher in industry or commerce is ignored; here the apparent limiting factors are not so frankly implied. Other boys feel that the hierarchic structure of the Civil Service will mean that they will always be liable to a strict supervision by superiors, and never left to get on with the job by themselves.

(b) Our experience is too limited since most boys proceed to Sixth Form work and "A" levels; those who do not rise to this level, would not be eligible for Clerical Class.

(c) The public image of the Scientific Civil Service and its conditions of work seems to be poor and vitiates an initial desire to find out what this service has to offer. Boys, quite ignorant of the Scientific Civil Service will accept posts quite cheerfully in private industry the background to which is just as unknown to them. They exaggerate the political pressures, and often say that they feel that political decisions may interfere or curtail the projects on which they are engaged. They are familiar with the literature published by the Civil Service Commission but find the attitudes too impersonal; the science side, in contrast to the Arts and Modern, is frightened of becoming "a cog in the machine"—their favourite metaphor.

2. In one sense the attractiveness of a career in the Civil Service has obviously decreased for school leavers; the able boy confronted with the choice of becoming an E.O. or a University Graduate (and such are up to 40% of those who leave) will obviously prefer the latter alternative. Those who qualify for places in other establishments of Further Education will similarly postpone a near-final decision on their future—perhaps another 20–25%. For those who remain, the Civil Service is increasingly an attractive career, for Scientists more frequently than Arts students find their way into full or part-time further education.

3. The answers to some of these questions are obviously implied by the attitude mentioned in 1a and 1c. Not sufficient emphasis is made on the readiness of the Civil Service to help boys to obtain professional and academic qualifications. Private industry lays much stress on the help given to junior members to become, for example, legal executives or professional engineers: the connection between the Civil Service and further education is less well known, and boys, whose aim for seven or eight years has been to obtain "O" level and "A" level certificates, are very conscious of the value of "paper qualifications".

4. As the Civil Service, in our experience, recruits mainly from the lower levels of academic attainment in the school leaving body, a larger graduate entry would deter many capable boys who would feel that their chances of promotion were decreased.

Number of boys entering Civil Service

1960	1961	1962	1963	1964	1965	1966
3	3	3	1	2	3	5
<i>cf. Banks</i>						
7	7	7	8	4	2	5

NOTE

submitted by

Mr. Islwyn Williams, The Grammar School, Llandysul, Cardiganshire

October, 1966

1. The attitudes of pupils in this area to a career in the Civil Service:

(a) Those with 2 or more "A" levels

In general these show *no* interest at all. There is a very strong tradition here (and this may be true for the whole of Rural Wales) for pupils with "A" level qualifications to follow some form of Higher Education chiefly—Universities and Training Colleges. During my 15 years experience as Headmaster only two pupils have applied for entry into the Executive Class on the results of "A" level examination and one of these was unsuccessful because her grades were not good enough (she had 3 E's).

(b) Entry into the Clerical class—5 "O" level

Those with the minimum qualifications do show some interest. Very few pupils with good "O" level passes (in 8 to 10 subjects) show any interest. Here again comments given in (a) above apply. They prefer to return to school to take "A" level exam with Training College or University in view.

(c) For the Scientific and Technical Class

More interest shown in this branch than (a) and (b). But here again the best are not interested. Quite a few have shown interest in and been accepted to the nearby Aberporth R.A.E. station. Some of these have been good pupils but *never* any of the best. Usually they are pupils who have obtained good "O" level certificates and have commenced first year "A" level in Maths and Sciences. But finding the "A" level course too hard they then apply for a Student Apprenticeship or Scientific Assistant at R.A.E.

2. The attractiveness of a Civil Service career (which above comments show to be small) has remained steady in this area over a period of years.

3. I doubt whether a change in publicity would alter the situation to any great extent. At present all Civil Service literature received at the School including booklets, leaflets and circulars, are announced at Morning Assembly and then displayed either on Notice Boards in corridors or in Careers Section of

the Library. Possibly the presence of a representative of the Civil Service at the annual School Career Convention would be an advantage, since a convention is to commence at this school this year.

4. I regret I am not in a position to answer this section. The only comment I can make in connection with Graduate entry is that the only ex-pupils of this school who have applied for Civil Service Graduate entry Posts are those who obtained a *Pass* Degree only (either failed or did not sit for Honours degree)!

NOTE

submitted by

Miss D. J. Renwick, Headmistress, The High School, Kidderminster

November, 1966

I am writing as the Headmistress of a maintained girls grammar school of about 515 pupils with a VIth Form of 80-90 girls.

In reply to the specific questions in your letter

(a) Recruitment to a Career in the Executive Class from the VIth Form (2 "A" Levels)

In paragraph 3 of "The Future Structure of the Civil Service" you state "But the good 18 year old . . . increasingly goes on to higher education." This is very true. Those of our girls who remain in the VIth Form almost all intend to go to a University, or to a College of Education, or to a training for one of the nursing services. Few consider it worthwhile now to take the extra two years in the VIth unless they intend to go on to a course of further education. This is partly due to propaganda on the value of graduate status, to the Robbins report and to the rather more vague concepts of desirable careers which in the case of a girl are based on imagination, reading, films, television viewing and which usually involve a desire for working with people, possibilities of travel and a certain excitement and drama, though they often include a very genuine desire to serve.

I am afraid that the image of the Civil Service in the minds of the girls in this fairly small town is poor! It suggests rather dull paper work, a sedentary occupation and little chance of "meeting people". We feel this is a pity and are aware of the very considerable interest inherent in work in a government department but it is difficult to get this across to our pupils. I'm afraid the term "Civil Servant" means little to a girl and such meaning as it has for her is rather lacking in glamour! The careers leaflets we receive are quite pleasant but *vague*. Would it not be possible without revealing Government secrets, to include more specific examples of the work of an Executive Officer in the Home Office, The Department of Education and Science, The Foreign Office etc. and to indicate how the work is helpful to the country?

Another difficulty is the timing of interviews and appointments. Girls must wait for "A" level results before being considered, they then often have to wait months for an interview and then do not always know for what post or depart-

ment they are being interviewed. Sometimes they have waited months after sending in their applications and have not been interviewed at all, while all their contemporaries are well away on their courses of further education.

(b) Clerical Class (5 "O" levels)

A number of our fairly good 16 year old girls go into the Clerical Class, but the only local branch of the Civil Service of any size is the Inland Revenue office which appeals only to girls who are fond of mathematics. Few of them achieve promotion to the Executive Class later, largely because they find the necessary independent study for the qualifying examination too difficult on their own and in conjunction with a full-time post. Those girls who are in the Inland Revenue office seem happy and satisfied but they are not very ambitious.

(c) The Professional, Scientific and Technical Classes

A few girls join the "Radar Establishment" at Malvern and enjoy it but the number is not large.

2. There has not been very much change in the last 11 years. Recruitment has remained relatively low throughout this time, especially for the Executive Class for which not more than 15-20 girls have applied in all.

3. Comments on this question are included in my answer to Question 1.

4. A larger graduate entry is in my opinion the best solution to your problem. In the foreseeable future I do not expect *many* of our 18 year olds to want to go straight into the Civil Service. There has however, been a very marked increase in the last 5 years on a desire for a University course often without any very definite idea of what career will follow graduation. Of course, many get married quickly but there is, I imagine, a source of recruitment here, provided University students could be given a clear idea of specific work available to them in the Civil Service, and provided they could be chosen or rejected without delay at the end of this University course.

NOTE

submitted by

Mr. N. Dixon, Headmaster, Inverurie Academy, Aberdeenshire

August, 1966

1. What are the attitudes of young persons who have the necessary qualifications to a career in the Civil Service:

(a) in the Executive Class (2 or more "A" levels),

(b) in the Clerical Class (5 "O" levels),

(c) in the Professional, Scientific and Technical Classes (in so far as young persons are eligible for recruitment to those Classes)?

2. Recruitment of pupils from this school to the Civil Service has tended to increase in recent years with the increase of numbers of pupils proceeding up school to the IVth, Vth and VIth Years and with the increase in numbers of pupils presented for Scottish Certificate of Education subjects.

3. Inverurie Academy is a school of some 1,000 Secondary pupils of whom 290 to 300 are in Classes IV, V and VI. There is a long-standing tradition of pupils proceeding to Colleges of Education, the University of Aberdeen and other Central Institutions with a view to entering teaching. In the last 15 years, while this tradition has continued, increasing numbers have opted for engineering, medicine and science. During the same period increasing numbers have turned towards the Civil Service. Some enter Customs and Excise, several each year seek Clerical Class appointments, and increasing numbers are expressing a real interest in Scientific and Technical work in Institutes like the Rowett Research Institute, the Macaulay Institute of Soil Research and the Torry Fish Research Station. The availability of employment locally is clearly one of the reasons for this growing interest.

Do they, by and large, know about this possibility? If so, do they consider it seriously?

4. Pupils are increasingly aware of the types of opening available. Their knowledge of these openings has increased remarkably under the Careers Advisory Service conducted in this County by the Ministry of Labour. The current Careers Adviser is doing a good deal in turning pupils' thoughts towards Civil Service employment when by disposition and ability they are suited to it.

5. A good deal of information regarding Civil Service appointments is received from the Civil Service Commission; this is made available, according to its nature, in two ways to pupils: (a) by Morning Assembly announcement and by posting on the Careers Noticeboard, and (b) by inclusion in the Careers Section of the School Library.

6. Pupils do seriously consider Civil Service posts but numbers are restricted by (1) the tradition towards Teaching already mentioned and (2) the paucity of posts for later adolescents in the North-East of Scotland.

2. Has the attractiveness of a career in the Civil Service been increasing or decreasing of late?

7. The popularity of Civil Service employment has undoubtedly been increasing slowly but surely in recent years—not necessarily from any intrinsic attractiveness in the Civil Service itself so much as from the fact that, employment-wise, the North-East has tended to look outwards much more in the past 15 years, and pupils in the later adolescent years are more prepared to move away from the area.

3. Would the attractiveness of the Civil Service be increased by changes in publicity, recruitment procedure, conditions of service, etc.?

8. Implicit in the answers already given is the belief that the increased information now available to schools has increased recruitment from the 16-18 age-group. Improvements have undoubtedly taken place in recent years in Civil Service publicity to schools. Extension of this improvement can only help recruitment.

9. More publicity on living conditions for young entrants could help to allay parents' anxieties. This might be particularly valuable in this area in which many potential Civil Service entrants are faced with the question of whether or not they should seek employment involving departure from home.

4. What would be the effect on the attitudes of young persons of change in the class structure of the Civil Service, and, in particular, a larger graduate entry?

10. This is difficult to forecast, but I imagine that many young men now entering the Civil Service on qualifications below those of University Entrance standard and who on maturity undertake quite onerous Civil Service employment might well be lost to the Civil Service if they realised they would in future years be competing at a numerical disadvantage with contemporaries holding stronger academic qualifications. Young men of the TWO HIGHERS calibre might well turn towards Commerce and Industry.

NOTE

submitted by

Miss N. Pannell, Kesteven and Grantham Girls School, Grantham

November, 1966

1. (a) Sixth form leavers are very much "put off" because Civil Service interviews are given so late. Examination results are available in August but interviews are not held until late September. This means that Civil Service candidates run the risk of having no job open to them even in October.

(b) Entry to this class is better now since no examination need be taken. Previously candidates were disheartened because only posts in London were offered after examinations.

2. We have not noticed any great difference recently. Our best candidates do not normally want employment in the Clerical Class.

3. We feel that entry to the Civil Service without an examination is an advantage. Earlier interviews or conditional acceptances for Sixth form leavers are by far the most desirable factors to assist recruitment. Most girls are not willing to be directed around the country.

4. No comment.

NOTE

submitted by

Mr. R. L. Chambers, Headmaster, King Edward VI Grammar School,
Stourbridge

November, 1966

1. I write as Headmaster of an old-established boys grammar school of about 620 pupils, age-range 10-19. The school is situated in the West Midlands, in an area where the economy is dominated by the motor industry, an area with a very high demand for labour, offering a very diverse field of employment for the school-leaver. Openings appear to be available to suit every level of academic qualification from one or two "O" level subjects at one end of the scale to the University Honours degree at the other. The majority of the boys are brought up against a background of industrial and technical activity. The area is also prosperous, so that there is comparatively little economic pressure towards early earning, and the school presents no problem of early leaving.

2. The attitudes of boys towards a Civil Service career cannot be stated in general terms with any confidence of accuracy. But the following tables may be informative as giving a factual basis for conjecture. The purpose is to show, for each of twelve years, the number of leavers *available* for the Executive Class and the Clerical Class separately, together with the number of actual entrants, stated in brackets, in each case.

Year	Leavers, Executive Class	Leavers, Clerical Class
1954-55	29 (0)	72 (0)
1955-56	34 (2)	73 (1)
1956-57	35 (2)	63 (3)
1957-58	37 (2)	63 (3)
1958-59	36 (2)	48 (5)
1959-60	46 (3)	48 (2)
1960-61	50 (3)	66 (1)
1961-62	64 (3)	64 (2)
1962-63	46 (0)	51 (2)
1963-64	59 (0)	60 (2)
1964-65	56 (2)	50 (0)
1965-66	62 (0)	34 (1)
Total:	554 (19)	692 (22)
Average:	46 (1.6)	58 (1.8)

N.B.—The Executive Class entrants include one to R.R.E. Malvern.

The Clerical Class entrants listed above include, as they probably should not, five G.P.O. youths in training and two R.R.E. Malvern.

3. Generally speaking the ablest boys stay into the VIth form, take 3 "A" levels, and aim at University or other full-time further education. There is a small but steady stream going at this stage to Teacher Training Colleges

(significantly more than to the Executive Class), or to Commerce or direct into professions such as Accountancy and Banking, or on the technical side into sandwich courses of various types. In my experience it is exceptional for a Vth form Executive Class entrant to have the Civil Service as his first choice. He is much more likely to choose it as a "bolt-hole" in case of failure to achieve a University place. This is due at least in part to the feeling that a 2 "A" level requirement cannot offer as good a prospect as the known reality of 3 "A" levels required for almost all university places. It may be significant also that in twelve years only two boys from a Science Vth entered the Civil Service, and one of these went to R.R.E. Malvern.

As for the Clerical Class entrant, normally a Vth former, he is almost by definition less able and less successful than the boy who stays on at school, so that the "O" level entry is almost bound to attract boys of comparatively poor quality, since there is as a rule no external pressure to force the abler ones to leave school at this stage. The Banks, Accountants, Opticians and others have discovered, it seems, that in order to get recruits of better quality they must put up the standard of their entrance requirements. In my experience the boys who enter the Clerical Class are boys of moderate ability and no great ambition or force of character. They enter the Service to attain a moderate competence, respectability and security, without a very clear knowledge of what will be required of them.

4. I can detect little significant change in the degree of attractiveness of the Civil Service Career to my school-leavers in recent times.

5. The attractiveness of the Civil Service could be increased by presenting a brighter, more "contemporary" and more youthful image. This could be done partly by more intelligently conceived publicity, directed rather *towards the boy than from the Service*, partly by scaling down the juvenile labour-force and taking in more 18-year-olds with a real training scheme, prospects of responsibility and variety, information about actual work, with individual biographies and so on—in so far as this could be done honestly and without the "phoney" appeals which boys are quick to detect. The entrance procedures are alarming, I should have thought, only by reason of the plethora of buff forms (which appear to proliferate (or am I, too, out of date in this regard?) The Conditions of Service are too often judged by visits to offices which are dull, dingy, undignified and dirty. One good office block, as good as any Bank, in every town of any size, would raise the prestige of the Service vastly.

6. School-leavers would be deterred from entry at 18, if they were aware of greater competition from graduate entrants.

NOTE

submitted by

Mr. F. H. Shaw, Headmaster, King's College School, Wimbledon

September, 1966

May I send you a few comments on your papers dealing with the Committee on the Civil Service.

2. I wish that I could feel that my points would cast illumination; but I fear that they are all too familiar to you.

3. Our circumstances here that virtually all boys enter the Viths for the Advanced level course; and the great majority are so obsessed with the ambition of gaining a University place, partly because they are so conditioned by the Press and other influences to believe that there is no exciting future for any but the graduate. The immediate effect is that they are reluctant to give serious thought to careers for the Advanced level leaver. Therefore reactions to the Civil Service tend to be as imprecise as they are to many other careers.

4. I would list the following as constituents in the picture that is present in their minds, vague though it may be:

- (a) A feeling of dislike as representing an important feature of "bureaucracy" which they are led to believe is gaining an ever stronger hold on their lives; this is helped by the fairly constant adverse comment in the Press, of individuals whose problems have been "ruthlessly" overridden by civil and municipal servants. A bad Press in general for many years is one of the tiresome hurdles to be cleared.
- (b) A pattern of unbroken office-bound existence, dedicated to the preservation of existing ways—however unfair and unrealistic such an impression may be.
- (c) Promotion predictable and lengthy; though fair in the sense that no irrelevant factors such as a good golf handicap or nepotic pressure are effective, yet dependent upon the concealment of initiative or progressive ideas; again lack of information prevents the picture from being corrected. A belief prevails that entry into the Executive Class presents an unbreachable barrier to all but the very exceptionally able or lucky.
- (d) An impression that the work is impersonal; that work done must be handed to a superior for completion; that one cannot imprint upon it the identifiable stamp of one's own efforts and personality.

5. Commerce is not inhibited by tradition from advertising its opportunities and prospects; the Banks can speak of one in every three entrants reaching managerial status.

6. I believe that if the Service can present a career in which the Executive entrant can have, and commonly will have, full opportunity to reach the highest grades to which a man's abilities and work entitle him, if the rich variety of work and the attractiveness of intelligent and able colleagues can be communicated to the Advanced level leaver, then something of the false picture which has been created by the Press and other sources, and which has traditionally been allowed to stand uncorrected, may be remedied. But it will still remain true, I fear, that the Civil Service must continue to suffer by comparison with the temptingly "glossy" propaganda of commerce and industry.

NOTE

submitted by

Mr. G. Sheen, Headmaster, Kings Norton Grammar School for Boys,
Birmingham

November, 1966

You will already have received evidence submitted by Mr. W. G. Merriman as Chairman of the Careers Committee of the Headmasters' Association and since I am a member of that Committee, what I had to say is really contained in evidence that he submitted. Since I cannot remember all that we said it might be useful to set down the following points:

1. *Attitudes, etc.* We have quite a number of enquiries from boys about the possibilities of a career in the Civil Service, whether (a), (b) or (c), but much the most interest is shown by the Fifth formers, i.e. 16-year-olds, in the Preventive Service, presumably because it seems to have the glamour of adventure in it. In the Fifth form here we arrange visits to various firms and organisations and there is always considerable interest in the visit to Inland Revenue. The boys do know about possibilities (we have two careers masters here) and some of them do consider it seriously, but by and large I would say that the image is wrong. It is that of dull respectability—this is the sort of safe job that you go for if you haven't much about you. This is the image which needs to be altered if you are to attract more of the boys with ability and character that you want.

2. I should say that attractiveness has been decreasing. Security used to be one of the great attractions of the Civil Service but now it is competing with commercial apprenticeship, where training is given, where pension rights are attractive and where boys feel that the job is not "just an office job" e.g., Stewarts and Lloyds say that the competition for their commercial apprenticeships is as keen as they would hope.

3. The publicity strikes me as unattractive and disorganised. We get, especially during this term, single sheet after single sheet coming in at various times, each giving some bit of information, and it is difficult to keep track of them and to know which of the older material to throw away. It is bad enough for the careers master; it is even more impossible for the boy. Could not this be co-ordinated and issued in combined pamphlets? What pamphlets are available again strike me as dull. I would not wish them to be like the Service "glossies" but they could be a good deal more attractive in type and layout than they are, and the date should always be quite clearly given.

My senior careers man says that one difficulty in recruitment procedure is the double entry through G.C.E. and through the Civil Service examination where one has to keep such a wary eye on the calendar to make sure that applications are in to time.

4. *Graduate entry.* The danger here is that of taking the risk of securing a larger graduate entry—and since university populations are increasing this

does not necessarily mean a larger proportion of the slice—without having the effect of discouraging entry at a lower level because would-be entrants might feel that their chances of promotion were so much the less.

Some five years ago we had here a careers evening part of which was an address by a Civil Servant. He was a good speaker, he was lively and interesting and he had obviously thoroughly enjoyed the varied experience that had led to his final position of considerable authority. He made an impact and could have done nothing but good. If this sort of direct communication by the one who has *enjoyed* his experience can be repeated this may make a contribution, however small, towards solving some of your difficulties. He certainly gave an impression of a career which had been far from dull.

NOTE

submitted by

Mr. John Geddes, Rector, Peterhead Academy

November, 1966

At our Careers Convention in June we had more than 40 enquiries regarding the Civil Service although quite a number of those interested had a first preference for teaching.

1. *Attitudes (a)* For the Executive Class there was an inclination to take it as second best, often after trying University and failing.

(b) The Clerical Class is very popular in this area.

(c) A few enquiries but not many were made regarding the Professional, Scientific and Technical Classes although these would receive more serious consideration at University level.

2. In this area the attractiveness of the Civil Service is fairly static.

3. Attractiveness probably would be increased by:

(1) better publicity, and

(2) while there has been improvement in time lag between application and final allocation, there is still time delay in certain departments, e.g. Customs and Excise, and recruitment could be improved in this respect, as there is some loss to other fields because of delays

(3) conditions of service could be improved by shortening of pay scales.

4. The present structure seems to ensure an even flow of recruits at all levels and it would appear that changes in the structure would not add very much to the recruitment figures.

NOTE

submitted by

Baillie T. Ruthven, M.A., Rector, Royal High School, Edinburgh

October, 1966

I refer to your letter of July 20 asking questions about recruitment to the Civil Service. Our answers are as follows:

1. There is not much enthusiasm for the Civil Service in the School. This is due to several factors. First of all, the boys have no clear understanding of the kind of work they will be asked to do. They can, of course, see some of this in post-offices and, possibly, labour exchanges, but St Andrews House and other Government departments tend to be abodes of mystery. Written descriptions of duties etc., are necessarily general and vague, and, in any case, are poor substitutes for visits; the same is true of talks given by liaison officers.

Secondly, there seems to be a lack of general appeal. Most boys express a dislike for office work. They seem to see themselves shut up in a kind of cell where they write at a desk from 9.00 a.m. to 5.00 p.m., with a short break for lunch. This has all the disadvantages of school without any of its advantages—few human contacts, no moving around, no outside projects. With some office jobs one can often counter this view by actually visiting banks, insurance offices and similar establishments to see what goes on, but, so far, we have not been approached to anything like the same extent by Government departments.

Our experience regarding recruitment has been that the candidates for the Clerical Class tend to be those who have little hope of gaining higher. It may also be that some of this group prefer to take clerical jobs in other establishments in Edinburgh where they can live at home, rather than to face the expense of living, say, in London on a comparatively low salary.

Executive Class candidates tend to be those who had decided to go to University but who just failed to gain the entrance qualifications. In other words, the Civil Service is a second best at these levels. Not enough is known of the opportunities in the Professional, Scientific and Technical Classes.

2. Probably decreasing—certainly being affected by the demand for comparable manpower in banks, insurance, commerce and industry. In Scotland it will be faced by further competition when the Scottish Education Department's proposal to institute a category of non-graduate male teacher is implemented.

3. The attractiveness would probably be increased by more and better publicity, including personal contacts and, above all, visits as suggested above. What is necessary is a brighter picture not only of the Civil Service but of the Civil Servants who are in these two classes.

Recruitment procedure also seems important to us. More emphasis should be put on individuality and personality, and less on the paper qualification for entrance.

At the moment there is a wide gap between the Executive entry (3/4 higher) and the Administrative (Honours degree). In Scotland we have a well-established and very respectable ordinary or general University degree which is taken as first choice by many Scottish boys and girls. If it is not already done, some

recognition of this could be given in terms of salary and promotion to encourage recruitment to the Service from this source. Similarly the offer of University training (as in the Forces and Industry) to suitable candidates in Executive service might help recruitment.

4. I should say that the greater flexibility proposed in your paper "The Future Structure of the Civil Service"¹ would tend to encourage recruitment.

In view of the proposed flexibility a larger graduate entry should not have an adverse effect on recruitment.

NOTE

submitted by

Miss G. Dwyer, St. Albans Grammar School for Girls, St. Albans

January, 1967

I think the girls do know about the Civil Service possibilities but I am not sure if they themselves can say whether they consider them seriously. I do not think we have any evidence to show whether the attractiveness of a career in the Civil Service has been increasing or decreasing of late and I do not know how to find the answer to your question about how changes of the class structure of the Civil Service would affect the attitudes of young persons.

2. May I just make one or two general comments which are not based on any specific conversation or enquiry. Some members of my fifth form leave school and take up posts in the Clerical Class but they are usually girls lacking in initiative who are looking for a safe post in pleasant surroundings. I do not think many of them either stay very long in these posts or move up from one level to another. We regard our task as one of persuading these girls to remain at school for sixth form work and we therefore do little to encourage entrance to the Civil Service at the Clerical Class level. We have a few girls from the upper sixth form who try to enter at Executive Class level. They are often people whose first choice is entrance to the University and who make their Civil Service application as a second choice. They are again often people rather lacking in initiative and often you do not accept them. I do not think that many of our girls enter the Civil Service after taking a University degree but I am apt to be rather out of touch with them at this stage and cannot speak with certainty. I think it is still true to say that work in the Civil Service carries a dull image not only to the girls themselves, but to members of staff giving advice on careers. This is partly because we all find it so difficult to imagine what the actual work is like and if your propaganda could somehow show this with reality, we might all feel much more interested. I do not know what to suggest except in a rather negative way because your written information always look so unattractive. The only positive suggestion I can make is that your propaganda should be much more attractive visually and should, if possible, include briefly written, illustrated brochures, and films or film strips.

3. May I say that if you decide to send out a questionnaire which could be dealt with by senior pupils of a school, I should be very happy to submit it to my own fifth and sixth form girls.

¹ Memorandum No. 1.

NOTE

submitted by

Mr. P. E. Daunt, Headmaster, The Thomas Bennett School, Crawley

October, 1966

In reply to your letter of 29th July, I give below the answer to your specific points:

1. I must say that our experience as yet is limited by our life of the school, particularly for entry at "A" level. There is probably some of the old fashioned feeling that the Civil Service offers less exciting opportunities than e.g. Industry, and, as is well known these expressions fix themselves in family attitudes and therefore can be difficult to overcome. For this reason I think that, particularly in the scientific and technical opportunities, increased publicity on the lines mentioned below would be profitable.

2. Our experience is too short to make a worthwhile comment here.

3. I am sure that well designed poster material for Careers Rooms is likely to be eye catching and informative and have a real effect. These could be followed up, if possible on a regional basis, by a comprehensive service of vacancy notices and minimal information about examinations to the schools in a given region.

4. It is obviously hard for a school to comment on the effect of "a larger graduate entry", I personally feel that a field of recruitment must well be the "A" level candidate particularly in the Arts, who is an able and competent person, but does not quite succeed in getting a University place.

NOTE

submitted by

Mr. R. Long, Headmaster, Tulse Hill School, London, S.W.2

January, 1967

1. I have been invited to submit written evidence to the Committee on the Civil Service, and particularly to comment on the present attitudes of school leavers towards the Civil Service as a possible career. I was asked to concentrate upon those leavers who do not go on to higher education, and especially upon those who leave school with two or more "A" levels.

- (1) Boys who have two or more "A" levels (the necessary qualifications for a career in the Executive Class) almost invariably go on to University, College of Education, or to an institution of Further Education. Few go directly into employment, and only very rarely do they choose the Civil Service. It is still possible to obtain places for boys with only two "A" levels in institutions of Higher Education.

Boys who have five "O" levels (the necessary qualifications for a career in the Clerical Class) almost invariably enter the Sixth Form

to take "A" level courses. We have very few boys who get their five "O" levels and then leave. We do receive into the Sixth Form boys who need a sixth year to retake at "O" level subjects in which they have failed, or to take for the first time at "O" level subjects for which it was considered they needed an extra year. There is a potential supply of 5-"O"-level boys here, but by definition these boys are slower learners or late developers. Some of the latter elect to spend two further years in the Sixth Form pursuing "A" level objectives.

- (2) Each of the 200 boys in my Sixth Form was asked to define the degree of importance which he attached to the following aspects of a career: starting salary, the amount by which salary increases each year, maximum salary, the age at which maximum salary is reached, pension for self and dependants, the degree of security of tenure, the arrangements for training after appointment, the facilities for obtaining further qualifications, promotion prospects, conditions of service (e.g. holidays, sick pay arrangements, length of notice required), limitations which may be imposed (e.g. on freedom to publish, to take part in political activities, to divulge secrets), the degree of responsibility involved, the hours of work, the extent to which it is necessary to take work home.

There was a marked trend for them to regard as being of great importance: maximum salary, the age at which it is reached, pensions, security of tenure, training and facilities for obtaining further qualifications, promotion prospects, conditions of service as defined above, the degree of responsibility involved, and the working hours.

Less important (though still of importance) were starting salary, the amount of annual increments, and the extent to which work has to be taken home.

- (3) The boys were then asked to give their impression of how the Civil Service rates in each of these aspects of a career.

It was significant that, in spite of the school's well-conceived, well-staffed, and well-endowed Careers Department, and of the very good lecture on the Civil Service as a career prospect which preceded this inquiry, the boys admitted to considerable ignorance about the Civil Service in so far as a number of career-aspects were concerned. Between 30 and 40% of the boys did not know how the Civil Service rated in terms of annual salary increases, pensions for dependants, facilities for further qualifications, the degree of responsibility to be taken, the hours of work, the amount of work they would need to take home, and the arrangements for training when first appointed.

Apart from this considerable area of doubt and ignorance, it emerged that the Civil Service was highly thought of in respect of maximum salary, pensions, security of tenure, facilities for obtaining further qualifications, promotion prospects, conditions of service, degree of responsibility involved, and working hours. Starting salary, annual increments and the age at which maximum salary is attained were regarded as reasonable compared with other careers, and seemed to be neither a barrier nor a spur to entry.

It would appear then that, whilst attention might be given to the problem of dispelling the ignorance about a number of aspects of the Civil Service which exists among a significant proportion of the boys, our analysis of career-aspects supplies no answer to the question why so few of the boys apply for admission to the Service.

- (4) We feel that this is the consequence of fundamental changes which have been taking place during the past 30 years. Before the Second World War the Civil Service represented for many clever and able boys security, highly respected employment, and social status. Full employment has weakened the advantage of comparative security. More and more boys each year stay on into the Sixth Form. More and more of them go on to Higher and Further Education. The range of professional employment in industry and commerce has expanded enormously, and the competition for recruits has resulted in torrents of expensive, glossy and beguiling advertising which has tended to create for private enterprise concerns an aura of glamour, excitement and ultra-modernity which is seldom matched by the public services. In short, for most of our boys the Civil Service seems to have no "image" at all. While many organisations requiring just as much routine clerical work as does the Civil Service contrive to hide this fact behind an image of exciting prospects, for many boys the Service is an army of faceless men, performing uninteresting routine tasks in anonymous and shabby rooms. Far too few boys have any idea of the *variety* of work which is done by the Civil Service.

2. It would seem, then, that publicity of career prospects in the Civil Service needs to be re-appraised, with a view to personalizing the Service, to illustrating what real men and women do. Perhaps it is not possible to compete directly with the image-building of private enterprise recruitment campaigns, yet is there no future in setting out to appeal to the young in terms of a job worth doing, a function which has great social value, work which a good citizen can be proud to do? This is partly what a career in the higher echelons of the Service meant for a Public School man a century ago. Cannot a similar zeal be inculcated in ordinary young men and women today? Unfortunately, there is a tendency for boys of working-class origins still to regard the Administrative Class of the Civil Service as the preserve of the public school boy.

3. Are five "O" level passes really essential for much of the routine clerical work which has to be done? Is the Service pricing itself out of the market by retaining this kind of hurdle?

NOTE

submitted by

Mr. A. E. Howard, Headmaster, Wandsworth School

October, 1966

I have now had an opportunity of discussing with my senior colleagues the various points you raised in your letter of 20 July 1966 regarding the choice of the

Civil Service as a future career by the boys in this school. As I am sure you are aware the Civil Service is now in direct competition with well-established organisations in the field of industry and commerce e.g. the Nationalised Industries, banking, insurance etc. All of whom are seeking recruits of the same calibre and with the same basic qualifications.

2. In addition to this, those boys who gain the necessary "A" levels, having already achieved the requisite "O" levels, think naturally in the first place of attempting to obtain admission to a university or other comparable institution to continue their education. In some cases they have a definite career in mind, e.g. if they are reading engineering; in others, particularly where they are reading Arts subjects, they prefer to defer the actual choice until they have graduated.

3. Even those who find it impossible to obtain a place at a university now have no real difficulty in gaining admission to a College of Education, particularly in view of the fact that the possibilities of obtaining graduate qualifications in these colleges is now increasing. Although I am not arguing that "second best to a university" is the best motive for entering the teaching profession, there is no doubt that, with the present shortage of teachers, the chance of a successful career in teaching is evident to them.

4. For other 18 year old leavers with two "A" level qualifications the opportunities are immense, particularly with the growth of sandwich courses in both industry and commerce, and the Civil Service (as with the Armed Services of the Crown) will need to look at its own problems of recruitment in this context. Young people are impressed with the "glossy" advertisements that appear weekly in the press, together with the vast amount of literature which is continually thrust upon them.

5. It is important to realise, however, what it is that impresses them in the selection of the fields in which they will make their careers.

6. In my opinion this can be summarised as follows (not necessarily in the order printed).

- (1) The immediate financial rewards (are they commensurate with what can be obtained elsewhere in comparable occupations).
- (2) Is the work they will be required to do sufficiently demanding of their intellectual ability even in the early stages? (Recognising that they will be required to perform many routine duties, will they also have the opportunity to use their initiative?)
- (3) What are the future prospects?
 - (a) Are the training opportunities comparable with those offered by industry and commerce.

- (b) Are university scholarships available to the really able young man.
(*cf.* the Dartmouth and Sandhurst schemes.)
- (c) Is the possibility of promotion beyond the rank of Principal open to the really able man, irrespective of his initial educational background on entry?
- (d) Is there still, in certain Departments prejudice in favour of taking entrants from old established institutions?

7. These are points of general interest particularly relevant to the 18+ entry. Since the tendency is for boys to remain at school beyond 16 (and this is likely to increase assuming the raising of the School Leaving Age in 1970-71) they are, I think, of increasing importance.

8. To answer your specific questions.

- (1) (a) Two or more good "A" levels generally causes a boy to consider seriously further studies at a University.

(b) Five "O" levels encourages him and his parents to consider seriously a sixth form education. In my opinion a realistic survey of entry qualifications for the Clerical Grade based on the Certificate of Education should be made.

(c) Entry to the Professional, Scientific and Technical Classes should be brought into line with similar entries to industry at this level. *cf.* Arrangements made by National Coal Board, Electricity Board, etc.

(d) Boys are aware of the possibilities and do consider them seriously.

- (2) In our experience the attractiveness of a career in the Civil Service has been decreasing of late (due to the reasons suggested above?) and boys with 5 or more "O" levels at 16+ now seem to prefer sixth form courses (these are, of course, now being extended in range and form in many schools).

- (3) In my opinion they would; though some of my colleagues are doubtful. A useful parallel here might be to consider the effect of the recommendations of the Grigg Report on recruiting for the armed services.

- (4) This is particularly a matter on which universities are better able to comment. My own personal opinion is that university entrants should be encouraged but (especially in the interim period) equal opportunities for promotion and/or for gaining graduate qualifications should be available to all who have the necessary background.

9. No doubt your committee will be considering the relation between the Administrative and Executive Classes in some detail. As a layman I feel this division is now somewhat artificial and may militate against recruiting.

I hope these observations will be useful to you.

NOTE

submitted by

Mr. L. K. Turner, Headmaster, Watford Grammar School

September, 1966

1. Attitudes of young men to a Civil Service career

(a) *In the Executive Class*

Most of our leavers now go to universities and most of the remainder to full-time education or professional training. Only one or two each year enter the Executive Class. Some are intelligent and capable young men who by a mischance fail to obtain university entrance requirements, others have asked themselves whether they really wish to pursue academic work for another three years, and occasionally there is one who has failed a first-year university examination. These are useful sources, but hardly a plentiful and secure supply of future public servants.

(b) *Clerical Class*

Very few applicants, usually pedestrian 16-year-old leavers with very little initiative.

(c) *Professional, Scientific and Technical Classes*

Very few recruits direct from school, except an occasional G.P.O. apprentice. They are much more likely to enter after university or technical college.

I think the predominant, but largely unspoken, attitude to a possible career in the Civil Service, is that qualities of critical intelligence and reliability will be at a premium and fairly rewarded, but that originality, initiative and enterprise will be at a discount.

2. Attractiveness of a Civil Service career

This is probably fairly stable, but at a rather low level. In particular, I would agree with paragraph 3 of the Treasury's note about "the good 18-year-old who before the war came in". There are doubtless some similar cases nowadays, but it must have been the general high standard of this intake at a time of depression and restricted higher education which has led to the high proportion of the present Administrative Class drawn from this source. This is hardly likely to be repeated, unless by transfer from scientific classes.

3. (i) *Publicity*

It might be thought that most young people who have their eyes open—and presumably you only want these—would know of the opportunities from press announcements, visits to careers rooms etc..

But (a) the more ambitious also know that they would generally be better advised to wait until they have a university degree, and (b) though the information is presented very clearly, it is also in a rather desiccated form. Without

wishing to imitate the prestige advertisements of e.g. the armed forces or industrial firms, it might be worthwhile to attempt something more imaginative, (by case histories, description of a typical day's work etc.) which would help a young person to visualise himself as a possible Civil Servant.

(ii) *Recruitment Procedure*

Though I am not quite certain about its present timetable, there appears to have been a recent improvement in procedure, which has led to earlier decisions by the Civil Service Commission and correspondingly less delay in the start of employment. This is to be welcomed.

(iii) *Nomenclature*

There will presumably be some discussion about renaming the various grades. Numerical grades are clear but dull, while the present nomenclature is mystifying to the outsider and the humour of the relative status of say, Higher Executive Officer and Permanent Under Secretary is a little outworn.

What is, I think, more unfortunate is the term "Civil Service" itself, with its overtones of insipidity. There is a growing tradition of service among young people, but it is a pity that the noun cannot be given a more virile, accurate and attractive adjective. "Public Service" is, I suppose, too presumptuous?

4. *Changes in Class Structure*

(i) I am a little doubtful about the Treasury submissions on university entrants.¹ The proposal seems to be that they will enter Grade VIII. Whatever the acceleration of promotion for a starred entrant, three grades below that of the present Principal and two below that of the present entry grade seems much too low for a first-rate young graduate: far shrewder (and more or less valuable?) for him to start an academic career and then reappear as a specialist adviser or consultant a few years later. The growing tendency to take higher degrees will in any case force consideration of a pattern of admissions at this stage.

(ii) Secondly, and more within my own competence, I very much hope that your Committee will not think only in terms of entrants from school and entrants from universities as at present we conceive these groups.

It has seemed to me for some time that many professions, e.g. law, accountancy, architecture, would benefit from there being available a form of training half-way between that of a university and that of a traditional articulated clerk or pupil. There are certainly many boys who would gain from a mixture of work on the job and academic study. The applied scientists have learnt the value of alternating such practical periods, with all the motivation they bring, and periods for fundamental and more reflective academic work. It seems to me a principle that is ripe for extension to other professions.

Among these I should certainly include that of administrator, whether in the Civil Service, local authorities, public corporations, industry or commerce. As the largest employer is doubtless the Civil Service, it has a particular opportunity for discussing this possibility with institutions of higher education. There seems, for instance, no reason why a four or five year sandwich course in public administration should not be set up jointly with one or two of the

¹ Memorandum No. 1.

colleges of London University: University College and the London School of Economics would surely be ideally suited for such a venture. If, as hoped, these colleges soon gain their autonomy, they would presumably be free to consider such an arrangement. I have not the slightest doubt that cadetship of this kind which also offer the opportunity for advanced study and for obtaining an honours degree would prove most attractive to young people of high ability.

NOTE

submitted by

Dr. C. R. T. Saffell, Headmaster, Wath-upon-Dearne Grammar School,
Rotherham

September, 1966

In reply to your letter of July 27th I would offer replies as follows:

1. The attitude of young persons leaving school with requisite qualifications
 - (a) The 16-year-old leaver with 5 "O" level passes—The career is quite attractive to a good proportion of those who are not interested in Sixth form work.
 - (b) The 18-year-old leaver with 2 "A" levels—Little apparent interest except to those who fail to secure places at university, technical college etc.
 - (c) Professional, scientific, technical classes—as in (b) above.

2. Increase or decrease in attractiveness. Little, if any change.

3. Changes in publicity etc.

This could possibly effect some change. In practice, in this school, very few pupils with five or more "O" level passes leave at that stage; and we do not and do not propose to, encourage them to do so. A factor of some importance is that many parents are not willing for the boy or girl to leave home at that stage.

4. Larger graduate entry.

I imagine that the effect would be depressing. Young people would see in this change an inhibiting influence on possible promotion.

NOTE

submitted by

Mr. B. Wilkinson, Headmaster, Welwyn Garden City Grammar School

October, 1966

I have been asked to give evidence to the Committee on the following questions:

1. What are the attitudes of young persons, who have the necessary qualifications, to a career in the Civil Service.

- (a) in the Executive Class.
- (b) in the Clerical Class.
- (c) in the Professional, Scientific and Technical Classes.

Do they by and large know about this possibility? If so do they consider it seriously?

2. Has the attractiveness of a career in C.S. been increasing or decreasing of late?
3. Would the attractiveness of the C.S. be increased by changes in the publicity, recruitment procedure, conditions of service?
4. What would be the effect on the attitude of young persons of changes in the class structure of Civil Service and in particular of a larger graduate entry?

1. (a) It is Hertfordshire County policy to encourage as many pupils as possible to proceed to some form of further education. Any pupil who is likely to achieve grades at "A" level to enable him to do this at a University, College of Education or College of Technology is encouraged to do so. This accounts for, on average, sixty per cent of our sixth form leavers. These usually include all the very best and most second best pupils. These pupils are therefore not interested in the Executive level because we encourage them to set their sights on higher education. The source of recruitment for this level, therefore, is reduced here to some twenty pupils, usually not of the highest quality, out of sixty to seventy, and yet fought for by many kinds of potential employers—industry, particularly, banking, insurance, etc. If the Civil Service wants this kind of pupil—the lower half of the grammar school range, then I think it will have to improve its publicity and its image.

1. (b) We encourage nearly all pupils to stay on in the sixth form at school. Between sixty-five and seventy-five per cent of the pupils do so. In any one year, therefore, only between ten and twenty pupils leave at this stage. Of these the majority are girls who want local secretarial work which they can easily get. The few boys usually go to craft apprenticeships locally. There is not much scope for recruitment here nor would I encourage it. Of course we have available the literature from the C.S. Commission about this career opportunity and would not actively discourage a pupil who wanted to apply provided he/she was not capable of tackling an "A" level course.

1. (c) I would say that the possibilities are not nearly widely enough known though certain departments, e.g. meteorological service, ordnance survey, attract a few specialists.

I sent a questionnaire to the whole of the sixth form about the Civil Service as a career, and from it the following emerges. There is widespread ignorance of the Civil Service (even from pupils who have studied "Government" as part of their "A" level course!) Only five out of ninety-one had seriously thought about the Civil Service as a career yet and all but sixteen said the lack of knowledge about the Civil Service partly or wholly accounted for their lack of interest in it as a career.

Of the pupils asked, thirty-seven associated the Civil Service with "bureaucracy"—red tape, etc. and thought the work would be unattractive and dull. I do not think pay, conditions of service, etc. had much influence on the group. Of those who did know anything, very few (twelve), suggested that pay, promotion prospects, etc. were major stumbling blocks.

2. I cannot say that I have much evidence that the attitude to the Civil Service has changed in the five years I have been here. We have had very few who have shown an interest. Last year a girl who ought to have gone to a University, entered the Civil Service at the executive level (and left to do a Librarianship course after one year). We have had two or three go to the Scientific Service. These few have been spread evenly over the years here. I would say, however, there has been a decline in interest dating from roughly the early fifties from my experience before coming here. However, I was not dealing with careers then so would not be sure on this point.

3. I have little doubt that a better idea of what the jobs, particularly the more responsible jobs, in the Service involve, could increase the attractiveness of the Service. For example, the Armed Services here in a very non-military, almost anti-military community, with no Cadet Force in the school and no special encouragement, have managed to recruit more than the Civil Service. Now clearly they have, superficially, more attractive or glamorous jobs to offer. Undoubtedly pupils look at their advertisements and never see anything like them for the Civil branches of Government Service. But the Armed Services are now using even a "desk" as part of the image connected with power in the Services and playing up the management aspect of the work. As one who must accept a more direct responsibility for the ignorance of our students of government about the Civil Service, I appreciate that it is difficult to give a lively impression of what the Civil Service does. Traditions of secrecy and anonymity are not the easiest of qualities to reconcile with publicity. But, for example, could not a typical, or an exceptionally interesting, day in the life of Civil Servants, be put across, exploiting the glamour of being in the "box"—contact with Ministers on the one hand and with the public on the other; some challenge to the young on giving efficient help to the public; with the emphasis on efficient professionalism in the interests of the welfare of all. It is not an easy task but has it even been attempted yet? I am thinking of the press—"quality" Sunday papers and brochures here, backed by a schools liaison service, such as the Armed Services have. But do not expect to be enthusiastically received if you want to lecture to every school. The Government publication on careers lists a hundred careers. If schools afforded opportunity for lectures on them all, pupils would be extremely knowledgeable about them all but qualified for none. What I have in mind are regular informal visits by enterprising young Principals who would be available for consultation by career staff and pupils.

4. A graduate entry of a less exacting type, such as is suggested in the "Future Structure of the C.S."¹ seems to me the only way the C.S. will now attract the middle rank of the service, if standards are to be what they were in those ranks before the war. Friends of mine who entered the C.S. at executive and even

¹ Memorandum No. 1.

clerical level from a northern grammar school before the war, would these days have gone into universities. Of the sixth form here, whereas only five had given the C.S. serious thought as yet, nineteen said they might consider it after a degree or other further education—and one intended definitely to apply. I doubt whether that one, who should get a university place, and a very sound degree, would get into the present administrative grade, but he would, I think, make an excellent middle rank Civil Servant.

MEMORANDUM No. 111

submitted by

THE SCIENCE RESEARCH COUNCIL

May, 1967

The Science Research Council welcomes the setting up of the Committee under the chairmanship of Lord Fulton to consider the future structure, recruitment and management of the Civil Service. The Council's particular interest arises from its close relationship on matters affecting staff management with the Civil Service on the one hand, and the Atomic Energy Authority on the other. Further, although it is of relatively recent origin, the Council feels that its own experience and that of its predecessors enables it to offer opinions which might assist the Committee.

The Council and its Functions

2. The Science Research Council was established by Royal Charter on 1st April, 1965 in accordance with the Science and Technology Act 1965 as part of the reorganisation of the arrangements for the Government's support of civil scientific research. The Council, which is financed by a grant-in-aid from the Department of Education and Science, took over responsibility for the Radio and Space Research Station, the Royal Greenwich Observatory and the Royal Observatory, Edinburgh, all of which had previously been Civil Service establishments; for the three research establishments of the National Institute of Research into Nuclear Science, which itself had grown out of the United Kingdom Atomic Energy Authority; for giving research grants to universities, and post-graduate training awards in science, for the supervision of the Scientific Space Research Programme, and the conduct of United Kingdom's participation in international research bodies such as C.E.R.N. and E.S.R.O. Thus the Council brought together a number of activities some of which had previously been carried out inside and others outside the Civil Service.

3. The Council's main functions are:

- (a) to carry out research in astronomy, space science, radio and nuclear physics;
- (b) to support research and advanced training in science and technology in the universities;
- (c) to provide and run major common facilities for the benefit of university research workers, for example, high energy accelerators, telescopes and the Atlas Computer;
- (d) to manage the national scientific space research programme; and
- (e) to manage the United Kingdom's relations with C.E.R.N. and E.S.R.O.

The Council is therefore concerned with both the execution and administration of research and advanced training in science and technology. Even so, many of its activities are closely similar in nature to those carried out in executive, administrative and regulatory Government Departments.

The Staff of the Council

4. The non-industrial staff structure, which the Council inherited from its predecessors in the Civil Service and the National Institute for Research in Nuclear Science, is generally the same as that of the Civil Service; its structure and salary scales are subject to the agreement of the Secretary of State for Education and Science and the Treasury. At present 24% of the non-industrial staff are Civil Servants on secondment; later this year they will be offered the option of joining the Council permanently or of returning to posts in the Civil Service.

5. The staff who joined the Council from N.I.R.N.S. will generally continue to enjoy the conditions of pay and superannuation of the U.K.A.E.A., as will new recruits to the Rutherford and Atlas Laboratories. All other non-industrial staff are recruited on Civil Service type conditions of pay and superannuation. On 31st December, 1966 the non-industrial staff of the Council were:

	On Civil Service terms	On A.E.A. terms	Total
Professional, Scientific and Technical	464	774	1,238
Ancillary	48	117	165
Administrative and Executive	100	44	144
Clerical, Secretarial and Typing	183	112	295
	795	1,047	1,842

6. The two groups differ principally in their superannuation system. Those employed on Civil Service terms come under the S.R.C. Superannuation Scheme, the provisions of which are analogous to those of the Superannuation Act 1965. Those employed on A.E.A. terms are members of the contributory A.E.A. pension scheme. Most of the differences in pay scales derive from this fact, but since N.I.R.N.S. followed the A.E.A. staff structure there are certain other differences which have been described in the memorandum from the Authority.

The Disadvantages of the Present Structure

7. Quite apart from the difficulties which arise from the existence of two main systems of pay and superannuation in a small organisation, the Council feels that, because of the changes which have taken place in the educational system of the country and the changing character of the work done by the Civil Service and quasi-Civil Service bodies, the present structure is no longer adequately geared

to the tasks of government. Although over the years there have been numerous reviews of parts of the Civil Service structure and a linking of some departmental classes, the tendency to create a new class when a new function has arisen has led to a large number of different classes each with differing career prospects and salary scales. This increasing complexity has created difficulties both in staff management and in the assessment of salary relativities; some salary differences are so small as to throw doubt on the justification for their retention.

8. The present structure involves too many grades. For example, the S.R.C. with a total non-industrial staff of less than 1,900 employs over 80 different grades. Despite this multiplicity of grades, the present system, which is based on fairly rigid demarcations between classes, leads to a serious lack of flexibility in both the recruitment and deployment of staff. The main recruitment difficulties have already been described in evidence given by other organisations, for example, the Atomic Energy Authority, and there is no need for them to be repeated here. The lack of flexibility in deployment of staff caused by the class system is exacerbated by the lack of alignment of pay scales of staff who not only work closely together and exercise similar responsibilities but also require similar qualifications and experience. This inevitably leads to friction between classes of staff and to some loss of efficiency.

9. The Council believes that it is wrong to assume, as does the Treasury Memorandum of May, 1966,¹ that, except at senior levels, management is the prerogative of the Administrative and Executive Classes. In the S.R.C. there are few scientific and professional Staff who do not carry some managerial responsibility; many make, as part of their day-to-day work, an essential contribution to the formulation of policy. The Council has many posts which may equally well be filled by members of the works Professional Class as by Scientific Officers, or in some cases members of the Experimental Officer Class; within the administrative field the same holds for the Scientific Officer Class, Works Professional Class, the Experimental Officer Class, the Administrative Class and the Executive Class. This must be equally true of other organisations. To some extent, the multiple grading of posts, which the Council has adopted as an expedient, or the rather similar system of mixed hierarchies, helps to solve the problem—but only partially since the pay of grades carrying equivalent responsibilities in different classes is not aligned.

10. To be effective, an organisation must combine all the relevant skills, knowledge and experience at each level of management. With the widening scope of the Civil Service—for example, in the technical Departments—the required combination of skills, knowledge and experience at the most senior levels is unlikely to be found only in officers from one class and with one particular expertise. Yet in the Civil Service, in contrast to other organisations, including the various national corporations, there is a strong tendency to fill the most senior posts from the Administrative Class. As a result, there are too few officers at the head of Departments who have professional knowledge and experience of the work they are administering. Certainly in Departments concerned with science and technology, senior rank short of the highest is achieved by scientists and engineers who have demonstrated their ability to

¹ Memorandum No. 1.

manage undertakings and who have in the process acquired administrative skills; but their virtual exclusion from headships of Departments, coupled with the class structure of the Civil Service and the tendency to separate technical and financial responsibility, adversely affects working relationships throughout the organisation and so impedes the creation of effective management teams.

11. A further most important objection to the present structure is the rigid distinction between the "industrial" and "non-industrial" staff. The Council can see neither social justification nor long term economic advantage in this distinction; it leads to quite different conditions of service and consequent resentment which militates against efficiency in a research and development organisation.

12. The integration of the industrial staff into a simplified general structure of the Civil Service and related bodies would not only improve working efficiency but might, through the influence which the Government as a direct employer exerts on other sectors of the economy, be a useful step towards the realisation of a national policy on prices and incomes.

The Possibility of developing a Structure better adapted for the present Functions of Government

13. The Council supports the illustrative proposals made in the Treasury Memorandum of May, 1966 for the integration of the Administrative and Executive Classes. The developments which the Treasury foresee in graduate recruitment to the Executive Class are precisely those which have taken place over the last fifteen years in the Experimental Class. Given the changing pattern of education such developments are inevitable if the Government is to maintain the efficiency of the public service.

14. The Council appreciates that the Administrative and Executive Classes were originally designed specifically for the executive function of government and that, though this function may have changed over the years, there remains a very large requirement for such staff; it is therefore natural that any consideration of the Civil Service generally tends to centre on these two classes. However, the functions of government now extend into areas of the national life which were previously regarded as the proper spheres of industry, commerce, the professions and the universities. Many of the more important of these new functions require judgment on individual cases which cannot effectively be made by laymen within a framework of predetermined conditions. An obvious example is the management of research and development, whether required for its own sake or by the Government in connection with other purposes (e.g. defence), or by the Government as the body responsible for ensuring the national interest in matters for which private concerns carry executive responsibility (e.g. the development and sale of machine tools or computers). Many managerial posts in Government now require to be filled by officers with scientific, professional or technical qualifications and experience.

15. Already such officers form a significant proportion of the Civil Service. About one-fifth of the non-industrial Civil Service is now employed in scientific, professional or technical grades and the proportion becomes greater if one

includes public bodies such as the Atomic Energy Authority whose structure and pay scales generally follow the Civil Service. Because of its concern with science the Council is perhaps particularly conscious of the changing needs of management in this developing field of governmental activity. However, it believes that the country's increasing dependence on science, technology and the science-based industries makes it essential for organisation and staff structure in the public sector to take full account both of operational requirements in this field and of the need to spread a degree of scientific and technical understanding through the Government service.

16. The Council therefore suggests that the aim of any reorganisation should be to achieve an integrated structure, not only for the so-called "Treasury Classes" but also for the scientific, professional and supporting classes, including industrial staff. Assimilation would present problems and it would take some time to achieve a structure in line with modern needs, but the Council believes, first, that the benefit of an integrated structure would be considerable; secondly, that the difficulties of designing a practicable structure are not insuperable; and, thirdly, that it would be possible to develop an integrated structure compatible with the illustrative Treasury proposals for merging two of the "Treasury Classes".

17. The essential requirements of a new, integrated structure are simplicity and flexibility, both to permit recruitment from a wider range of ages than is now practicable and to enable employees of different qualifications and ability to advance at different speeds. It should also have regard to practice in other sectors of the economy in order to facilitate mobility. These requirements indicate a structure below the senior level based on a number of grades with continuous or overlapping pay scales, rather than the present system of grades in various classes where there is often a substantial gap between the maximum of one scale and the minimum of the next.

18. As they stand, the Treasury's illustrative proposals for the Administrative and Executive Classes up to the Principal level could be extended to cover the Scientific, Professional and Experimental Classes without undue difficulty. The problem of the grades at about the Assistant Secretary level might be resolved by adopting the A.E.A. system of establishing job maxima and reviewing salaries periodically.

19. There is, however, also need for a number of grades with maxima below £2,000 a year to accommodate supporting staff, such as Draughtsmen, the Technical Class, Photographers, Photoprinters, Clerical Officers and Scientific Assistants. At present, within classes the difference between the maxima of adjacent grades generally varies between 15% and about 30%. A general service structure with fourteen grades with maxima between £700 a year and £2,400 a year could be arranged so that there was on average less than 10% between the maxima of adjacent grades. After allowing for the alignment of existing grades whose maxima are close together it should be possible to fit the existing supporting grades into such a general structure. Once it was accepted that every grade did not necessarily have to be used in each hierarchy and that salary scales should overlap, such a structure could also meet the needs of the

present Administrative, Scientific, Professional, Experimental and Executive Classes in this salary range.

The Need for Mobility of Workers

20. With the growing involvement of the central Government in the country's economic, social and technical life there is an increasing requirement for interchange of experience and knowledge between the Civil Service and other sectors of employment. This interchange is likely to be accomplished most effectively by mobility of staff. It is therefore important that the Civil Service grading structure and its pay and superannuation system should facilitate mobility between government and other employment.

21. It seems to the Council that the key factors in encouraging mobility are the general alignment of pay and the easy transfer of superannuation benefits. The Council's experience is that, although the Superannuation Acts allow transfers of rights within a rather restricted area, the F.S.S.U. scheme and the superannuation scheme of the A.E.A. are more effective in encouraging free movement. There can be little argument nowadays for restricting transferability to the public sector but the non-contributory nature of the Acts scheme militates against general mobility. A contributory superannuation system coupled with a substantial liberalisation of the Civil Service arrangements for transfer of superannuation rights under the "approved employment" scheme would be a big step in encouraging movement. The corollary of a greater freedom of Civil Servants to transfer their superannuation rights on taking up new employment is a freedom for management to recruit staff from a wider range of ages and grades than is attained by the general Civil Service rules for recruitment. For this freedom to be used effectively a more flexible pay structure such as that described above is required.

22. The Council appreciates the difficulty of determining and introducing a new structure and superannuation system to replace the present arrangements which have developed over a long period, often as a result of modifications introduced to meet individual needs rather than to form part of a comprehensive system. An integrated structure would, no doubt, produce its own problems and the transitional difficulties could well be considerable. The Council therefore suggests that, if it were decided to seize the present opportunity for a radical overhaul of the present Civil Service arrangements, a small-scale experiment would provide experience on which an extension of the new system to the whole Civil Service could confidently be based. The Science Research Council, a body outside the Civil Service and yet carrying out work similar to that of important parts of the Service, would provide a suitable experimental area. If this suggestion commended itself to the Committee and the Government, the Council would be happy to co-operate in introducing an integrated structure and contributory superannuation scheme, together with the necessary consequential modifications of other aspects of staff management practice.

MEMORANDUM No. 112

submitted by

SHELL INTERNATIONAL PETROLEUM COMPANY LIMITED

December, 1966

1. The nature of Civil Service work

The Treasury memorandum¹ gives two main reasons for a reconstruction of the Civil Service: the changing character of British education, and the increased intervention of Government in the social and economic life of the nation. To these might be added the changing direction of economic alignment of a country losing ground in its formerly sheltered markets and competing with other industrial countries for exports; and faced with, in particular, the uncertainty of entry into the E.E.C.

(a) The Civil Service and Industry

This great expansion of the responsibilities assumed by Government, including the ultimate supervision of the nationalised industries, coupled with the facts of the United Kingdom's post-war economic position, requires a Civil Service larger and in some respects more specialised than the small intellectual *élite*, selected for analytical ability and balanced judgment, that has hitherto provided the core of the administrative grade. It is to be hoped that the Civil Service will continue to attract men and women of this calibre; in the main, however, the requirement will be for recruits of good intelligence and broad education, able nevertheless to specialise in depth in the exercise of its "managerial" functions.

The decision to enter the Civil Service from a university has perhaps tended to be the result of a bias, due possibly to ignorance of the realities of industry and commerce, towards the academic and "non-profit making" way of life. This sometimes produced men whose views on industry were influenced by a distaste for "profit making"; the result has been misunderstanding between industry and Government in the past, and also failure to produce suitable people to exercise the ever increasing managerial functions of the Civil Service. With the best will in the world many Civil Servants do not appreciate, because they have no direct experience of, some of the more elementary facts of commercial life. This disability may diminish as a particular individual becomes more familiar with the problems of the industry with which he is concerned, provided that there is already sufficient confidence and patience on both sides to make mutual education effective, and good luck that avoids any crisis

¹ Memorandum No. 1.

before mutual understanding is firmly founded. But sooner or later he will be removed and replaced by a colleague who in all probability can have no comparable experience. The answer must surely lie in the direction of giving high-potential Civil Servants the opportunity, at the right age, of taking part in business management studies, of coming out of the Civil Service on secondment and, if at all possible, of reciprocating by seconding people from business to the Civil Service.

Perhaps the best meeting-ground lies in the nationalised industries, which should be able to offer rewarding and relevant experience to both the Civil Service and industry, and themselves benefit by the infusion of high-potential Civil Servants and industrial managers. It is recognised that these proposals, particularly secondment, present substantial practical difficulties, especially for industry and commerce, operating on a smaller scale and perhaps with less talent available than the Civil Service. Further study would be required to ensure a workable system of secondment. The first requirement is to make the secondment for a minimum period that is long enough, say 2½ to 4 years, for the man first to find his way round the company/government department, and then to make a positive contribution before he has to return to his regular career. The ideal Civil Servant is probably the fairly recently promoted Principal, in his early thirties.

There should be no financial problem, but it may be thought that the Civil Service would run the risk of losing a number of its better intake through the inducements that life in the commercial world can offer. However, this need not necessarily be disadvantageous from the point of view of the Civil Service. If it becomes known in universities that, without having to make an irrevocable choice at an early age, some of the abler and more energetic Civil Servants have an opportunity of going out into industry on secondment at a fairly early stage of their career, with the secondary opportunity of swapping horses at that time, this in itself could be a positive help to Civil Service recruitment, so that it need not be unduly perturbed by wastage, if this should indeed appear. The management echelon of the Civil Service might become akin to some of the professions such as accountancy and the law, both of which accept as a fact of life that there is a high wastage rate into industry and commerce, and flourish nevertheless.

(b) The Civil Service and International Trade

In our opening remarks we mentioned the increased interdependence between the United Kingdom and its European neighbours in the economic sphere. The present division between the home and overseas Civil Services, although already greatly modified compared with former years, does tend to produce home Civil Servants who are somewhat over-orientated to the United Kingdom and whose appreciation of the problems of an international group is correspondingly impaired. The need for Civil Servants other than those of the traditional overseas departments to become internationally minded is already pressing and, should Britain be accepted as a member of the Common Market, will be paramount. It may be, for example, that language training will have to be accorded priority, and opportunities provided to gain an insight into the administrative and commercial habits of some, at least, of our near neighbours whose traditions and history are distinct from our own.

2. The Functions of the Civil Service

(a) Managerial

A career in the Civil Service has hitherto been seen by many university graduates as an exclusive alternative to a career in commerce or industry, and more closely aligned to a career in the universities; hence a mutual lack of understanding may exist between them and the staff of a commercial organisation, where commercial sense and initiative may be as important as intellectual ability. Much of the semi-hostility that sometimes exists between industry and government may be put down to the belief on the part of businessmen that normal criteria of profitability do not apply in the public sector, and that understanding of the problems of competitive industry is therefore lacking.

(b) Advisory

It is in the exercise of its advisory functions that the Civil Service comes closest to its original role and where its traditional qualities of objectivity and analytical ability come into their own. But the system is still based on the assumption that policy can be adequately made by Ministers and discussed in Parliament, and that the duties of the Civil Service are confined to tendering advice on policy initiated by Ministers and to making sure that a policy once adopted is sufficiently and equitably administered. In such a system it is quite logical to have an anonymous and neutral Civil Service. But today the making of economic policy raises controversial issues of great technical complexity. These can be adequately discussed only amongst experts. Some of the experts are Civil Servants, many are academics or in business or the professions. Except in rare instances, politicians are not experts in these fields, neither should they be expected to be experts. The role of Ministers should be to exercise their judgment upon issues carefully defined by debate amongst the professionals both outside and inside the Civil Service. There has been some improvement in recent years in that Civil Servants appear to be more willing to debate technical issues of policy with outsiders, but the discussion is nearly always "off the record" and this is not enough. For public participation by senior Civil Servants during the formulation stage need not detract from the fundamentals of Ministerial responsibility for the determination of policy.

Even allowing for the fact that there were strong political or external pressures that caused the government in recent years to act precipitately in introducing controversial measures on such matters as corporation tax, investment incentives, control of overseas investment and the selective employment tax, it is a commonplace that many of the difficulties that emerged could have been avoided if the proposals had been opened for discussion before the government was committed to action.

3. The Civil Service and its Customers

In general, our relationship is a friendly one and the high calibre of members of the Civil Service, mainly of administrative grade, with whom we come into contact is generally recognised, and has been remarked on favourably by foreign oil companies meeting Whitehall for the first time. On the whole we get excellent service and our problems are dealt with expeditiously and with the

minimum of fuss. (A separate note at Appendix A, however, describes where there may be scope for improvement).

More generally, it is suggested that the quality of economic and fiscal policy-making could be improved by recognizing that this cannot always depend on Ministerial inspiration, but must often be initiated as well as developed at the Civil Service level. Civil Servants accordingly should be encouraged to take part in expert committees set up by such organisations as the C.B.I., as well as sitting round the table with business, professional, and where appropriate academic, experts, to examine specific policy-matters under consideration.

Our approach to the drafting of this submission has been mainly from the standpoint of our international operations. However, we have constant and on the whole friendly contact with H.M.G. in respect of our operations in the United Kingdom.

APPENDIX A

COMMISSION OF ENQUIRY INTO CIVIL SERVICE

Inland Revenue

1. The following points arise from Shell's experience of the Inland Revenue.

Tradition of secrecy

2. The British Civil Service has a very high reputation for being completely discreet and completely impartial, but discretion can be overdone. Recent taxation developments have suggested that the United Kingdom Inland Revenue are inclined to exclude outside parties from their deliberations until it is too late, and two examples of this tendency are:

- (a) There is very little real interchange of views between the Inland Revenue and the professions and industry. Admittedly there has been a marked improvement in recent years in the willingness of the Inland Revenue to see delegations and to take note of the views of outside bodies, but there is still very little attempt on the part of the Inland Revenue to explain their own views and position. A good example of this point is the approach to the renegotiation of double taxation treaties, as shown in connection with the recently revised U.K./U.S. Treaty. The U.S. authorities invited representations from interested parties and were then prepared to sit down with them to explain what negotiating tactics would be employed, and the reasons for these tactics. The U.K. authorities, on the other hand, invited representations from interested parties, but then preserved complete silence until the negotiations were completed and made no comment on the representations received.
- (b) There is still a reluctance on the part of the Inland Revenue to disclose any information to enquirers which has not been made public generally. Here again, the progress of double taxation treaty negotiations provides

an example. In many cases, information is received from abroad that negotiations have started, while the Inland Revenue here preserve a "no comment" policy.

3. There have undoubtedly been improvements in recent years in moving towards a more outward-looking method of operation. The above points perhaps do no more than emphasise the need to continue and to accelerate this trend.

MEMORANDUM No. 113

submitted by

THE SOCIETY OF BRITISH AEROSPACE COMPANIES
LIMITED

November, 1966

The following comments refer specifically to those branches of the Civil Service that have direct associations with the administrative and technological functions of industry, and are not necessarily applicable to other branches, such as those which are, for example, concerned with health, pensions, customs and excise, inland revenue, etc. Nor are we dealing with general views, as we consider that these have been adequately covered by the C.B.I., with whom we are in full agreement. Moreover, the views expressed are based on what the Civil Service appears to be to those with whom it has dealings, rather than on what it may believe itself to be.

1. Before commenting on the nominated aspects of recruitment, structure, management, training and mobility, one fundamental point needs to be made.

2. This fundamental point is that most of the grounds for suggesting change are inherent in what has been the fixed concept of the Civil Service being staffed, at all important levels, by a *permanent* body of individuals who have sought to make a career of being a *Civil Servant*.

3. A consequence of this has been to attract to the Service a high proportion of men, who may and often have had outstanding academic ability and qualifications in one or other of the arts, coupled with a latent distaste for at least the working executive levels of the hurly-burly of commercial life.

4. This in turn has led to a belief generally held within the Service, that because of his educational qualifications and his administrative experience, a senior Civil Servant is competent to undertake any task assigned to him; even matters which may be highly controversial technically and involving large investment of public funds. The thought appears to exist that he will do it not only with facility, but with complete impartiality.

5. We question whether in an advanced technological age it is right to continue with circumstances where senior Civil Servants are, from time to time, placed in a position where they should be making a decision, or giving advice to a Minister, on important subjects about which they can have only a partial or superficial knowledge.

6. These conditions amount to a complete negation of two important principles of organisation, which as seen from an industrial point of view are cardinal. One of these is the employment and development in key positions of

specialist skills and experience, and the other that promotion and even continued employment are dependent on individual efficiency. Consequently, it is not surprising that there is sometimes a lack of harmony and mutual trust between industry and the Government to the detriment of the National interest.

7. In our view, Departments whose role is essentially to work with and assist industry and commerce, should be organised and staffed in a manner compatible with the pattern and purposes of industry. This is likely to mean that such Departments may well differ in character from others having entirely different objectives. Two highly desirable results might follow from such an approach:

1. A better understanding of one another's problems and aspirations;
2. the removal of unnecessary barriers to the free interchange of staff at all levels, not only between the Service and industry, but also within the Service itself between the Technical Branch and the Administrative Branch.

In accordance with this general view, our more detailed comments follow, but we wish to make it quite clear that these comments relate only to those Departments that have direct dealings with our sector of industry.

Recruitment and Promotion

8. Normal recruitment procedures, as used by industry should be employed, the ability and suitability of the candidate being judged by those for whom he would work, in collaboration with qualified personnel officers, mainly on the evidence of qualifications, past performance and general bearing, in relation to a detailed "job specification" for the post to be filled. Entrance examinations would not normally be taken.

9. Entry to the branches of the Civil Service here being considered would, except in the case of purely clerical duties, normally follow a period in industry or commerce, since the Service would offer few opportunities to acquire the first-hand experience that should be regarded as an essential part of the qualifications.

10. This would not preclude consideration of promotion from within, any more than it does in industry, but it would clearly be desirable for at least a proportion of the younger staff to interchange between industry and Civil Service more than once during the period when a man normally acquires a measure of diversification in his experience.

11. It is highly desirable that experience of younger Civil Service officers should, if possible, include a period of service abroad, and that a serious effort should be made to improve their ability in modern languages. Recent experience in collaborative projects underlines the importance of this latter point.

12. This might well mean that the accepted concept of the career structure of the permanent Civil Service would be reinforced by a series of service contracts graduated in accordance with seniority of position such as are used by industry to provide reasonable safeguards for employer and employee.

13. This would certainly involve paying higher salaries at some levels to attract the right calibre of staff but it is a widespread opinion in industry that a properly organised branch, confining its activities to those essential to the discharge of its obligations, would almost always require many fewer people than it now employs. It would also involve the recognition of transferable pension entitlement in both the Civil Service and in industry, which is perhaps anticipating the outcome of present trends in industry but would not, in the long term, present any insuperable difficulties.

Training and Development

14. Both industry and the fighting Services expend much time and money on selecting younger staff for development and later promotion by means of planned on-the-job training, attendance at specific courses, and other part-time release studies. The impression exists in industry that in the Civil Service, although opportunities are offered to those who wish to take them, insufficient emphasis is given to positive selection for this purpose.

15. The appropriate Civil Service training organisations should be directed to work in much closer collaboration than hitherto with leading industries both to gain the benefit of their experience and to arrange interchange with them.

Structure

16. The keynote to any organisation must be the proper combination of responsibility and authority, with agreed standards by which performance can be judged and rewarded.

17. In the Civil Service these standards must inevitably be somewhat different from those likely to apply in industry or commerce, but there must be some correlation if the organisation is to be and to remain dynamic.

18. Industry has, throughout the period since the Second World War, become accustomed to the concept of departmental sponsorship for identifiable sections of industry and commerce. This concept leads naturally to the assumption that the head of a particular department must carry both responsibility and authority and will be judged, subject only to the effect of overriding political policies and decisions by the extent to which his actions promote the success of that section of industry or commerce for which he is responsible.

19. Accountability is to be interpreted not only in the narrow sense of the Accounting Officer but in the wider context of being accountable for the advice given to Ministers where policy-decisions are required.

20. His organisation must comprise people having themselves specific responsibilities for identification tasks, leading to the job specifications to which reference has already been made, and one of his prime concerns will be to ensure that these specific responsibilities do not overlap or conflict and thus negate the principle of responsibility with authority. The one essential is that the responsibility for decision-making shall be clear cut, and the discharge of that responsibility rapid and effective.

21. Lastly, it is important to realise and acknowledge that in such an organisation, as in any other, mistaken decisions will be made from time to time. These must be accepted and corrective action taken quickly. Disastrous consequences seldom follow immediately on a wrong decision. It is delay in recognition and correction that leads to massive cancellations and public scandals.

MEMORANDUM No. 114

submitted by

THE STOCK EXCHANGE

October, 1966

I am writing with reference to your letter of 1st September to my Chairman, Mr. Wilkinson, which has now been considered by my Council.

2. On the question of our evidence we can say that over the years we have had dealings somewhat rarely and mainly through the Bank of England, with the Treasury, but much more frequently with the Board of Trade and the Inland Revenue and it would only seem possible for an Institution such as ours to submit evidence from the point of view of a "customer".

3. The nature of our contacts with Government Departments is nearly always one of collaboration in carrying out what is generally the same policy. This will involve liaison, explanation of the views of the Stock Exchange and of our actions, and receiving in return information as to the policy of the particular Department.

Our relations with the Government Departments have always been on a friendly basis and we have received very considerable help. In certain matters we have found it a little difficult to understand the delay in the Department coming to a decision. It may, of course, be that our appreciation of the importance of speed of decision in Stock Exchange matters may have tended to cloud our understanding of the difficulties experienced by the Departments which arise from the fact that their Minister is answerable to Parliament.

5. Again in certain matters we might wish for the Government to have power to control and to take action in certain financial circumstances notably in the inspection of a company's affairs, but at the same time we would wish to retain our flexibility in the administration of the Stock Market.

6. We recognise that the delegation of considerable executive powers to a Department, which would not be adequately controlled by responsibility to Parliament, might result in the establishment of an expensive autocrat which might not be in the best interests of the City, Industry and Commerce.

MEMORANDUM No. 115

submitted by

THE TRADES UNION CONGRESS

January, 1967

1. The Trades Union Congress is the central body representing the working people of Britain. Individual trade unions negotiate wages and salaries covering some 18 million of Britain's working population of 25 million. On issues affecting working people as a whole—and these in practice cover all the great economic and social issues of the day—the T.U.C. General Council represents, and makes representations to the Government on behalf of, all the T.U.C.'s affiliated members.

Consultation with Government

2. Over the years there has grown up a pattern of consultation with the Government which involves the General Council in dealings with all the economic and social departments of the Government. The development of this pattern of consultation and the importance which the General Council attaches to it are outlined in Section Three of the T.U.C.'s evidence to the Royal Commission on Trade Unions and Employers' Associations (copies of which are attached).¹

3. The issues which are discussed are mainly questions of policy—though the boundaries between policy and its application are not clear-cut—and in formal terms the discussion is between the General Council and Ministers. There are many such meetings in the course of the year and many pages of General Council's Report to Congress are devoted to the reports of such meetings. As distinct from *ad hoc* consultations, consultation through permanent committees such as the National Economic Development Council and the National Joint Advisory Council to the Minister of Labour are of great and growing importance. Senior Civil Servants are almost invariably present at such meetings. At many advisory committees and Economic Development Committees senior Civil Servants are themselves the titular representatives of Government.

4. At office level there is continuing contact between the T.U.C. and Government Departments, often concerned with the background to policy issues or with the details of policy and its administration. In Departments where contact with the T.U.C. is less frequent it is sometimes difficult to discover which Civil Servant is responsible for a particular question: despite the publication of the Civil Service List there is a tendency for Civil Servants to wish to remain anonymous, or at least to lay what seems to the T.U.C. to be an exaggerated emphasis on the mystique of Ministerial responsibility for every decision.

¹ Not printed.

The Civil Service and Ministerial responsibility

5. On many issues, by no means only the trivial ones, it is clear that it is the Departmental view which determines policy, and that it is the Civil Service view which determines the Ministerial view and not vice versa. This is not necessarily improper, nor is it to be condemned as a usurpation of authority or as distorting the democratic process. It can on occasion be open to all these charges, but, in terms of the relationships between Ministers and their advisers, the distinction between influence on decisions and the formal taking of decisions is often an artificial one. What is important is that this fact should be openly recognised, if only to ensure that those with a view on policies should have proper access to the points where those policies are being determined.

6. The way in which policies are formulated in Government Departments is such that only a very strong Minister can move policy in a radically new direction. It is generally recognised that, as the scale and complexity of Government increases, it takes longer and longer to translate into practice any decision in principle to adopt a new course of action. At the same time, the period in office of the average Minister is shortening. In Britain the average length of time in a particular office appears to be about 2 years, compared with about 4 years in many other countries, and in fact the period is probably shorter in Britain than in any other major country. In this situation Ministers feel the need to make instant reputations, and this has an important bearing on long-term planning.

7. One of the less welcome consequences of the need for Governments to seek a new mandate from the electors every 5 years at most is the concentration on short-term tactical considerations at the expense of long-term forward planning. Yet there is a growing recognition of the need for forward planning. The difficulty lies in establishing on what principles this forward planning should be carried out. Long-term policy is essentially a political matter. In this sense it is the political parties, rather than the Civil Service, that should perform this function. Yet Civil Servants are among the first to assert that, to be realistic, forward planning in terms of practical policies rather than general aspirations must have references not only to detailed research and statistical information but also to problems of administration. Most Civil Servants would assert furthermore that they alone are the custodians of this expertise.

8. One of the cardinal principles of the Civil Service is that it is a non-political Service, and that Civil Servants are litmus paper which turns red or blue as the General Election results are announced. They are ready to serve the Government which is elected, according to the principles of that Government. It is, however, increasingly recognised that this is a myth. Civil Servants do have views and collectively exert a very considerable influence on the policy of their Department and can be very jealous of their prerogatives if a Minister seeks advice from any other quarter. In their own language, the view which Civil Servants tend to express is the Departmental view. Taken together, the views of major Departments add up to the consensus of opinion of the administrative élite, one which is to a greater or lesser extent shared by those of similar status working in business, the law, the City, universities, and the "quality" press. These can in a quite special sense, because of their common educational background, be objectively described as the Establishment. Theirs is a very different

perspective from that of the working people of Britain, and basic social attitudes are likewise different.

The Civil Service and trade union perspectives

9. The General Council are encouraged by the signs of wider support for greater interchange between the Civil Service, universities and industry, and in general for broadening the base of entry. This growing consensus of opinion must be translated into practical action, in a way which has not happened in the past. In particular, it is clear that the Administrative Class of the Civil Service cannot continue to be recruited on the present basis, whereby some three-quarters of outside entrants still come straight from Oxbridge after taking a first degree and subsequently fill all the top posts in the Service. They form a tightly knit group of educationally privileged men who are effectively cut off from the mainstream of industrial experience.

10. This situation is in fact but a part of a wider problem—the existence of a social and intellectual tradition that often fails to recognise the urgency of a new approach to problems which appears obvious to the man in the street—notably in the area of social inequality. The tradition is one which derives from the notion of hierarchy, although this hierarchy is now ostensibly based on merit rather than on birth. It is a social and intellectual tradition which is adept at explaining why things are as they are in the face of pressing social problems in such fields as housing, urban planning and the social services, and is above all reflected in faulty diagnosis in the field of economic affairs.

11. This is not a question of conservatism. Old policies are not necessarily wrong and new policies are not necessarily right. Radical policies can be regressive as well as progressive. At the heart of the matter is the view of the world and the choice of priorities which is implied or reflected in the Treasury view. Just as in the 1930's policies for retrenchment successfully prevailed over the claims of full employment, so since the war the priority accorded to the maintenance of the wider convertibility of sterling largely for prestige reasons means that, when a choice has to be made, it is inevitably Britain's own economy and economic growth which suffer as a result of the lack of scrutiny of these established priorities. To trade unionists it appears that the Treasury and the Bank of England never consider whether it is not their own preconceptions that should be abandoned, rather than the maintenance of full employment.

12. The Trade Union Movement, reflecting the aspirations of workpeople, formulates policies which rest on the assumptions and perspective of working people. The General Council and the officers of the T.U.C. naturally share these assumptions. Disagreement with the view of a particular Government Department often results from the fact that the two sets of assumptions are different. For this reason the General Council often find that discussions with Government on questions affecting the interests of working people are unproductive. Whereas broad policy objectives may at first sight appear to be agreed, in practice the interpretation of what these policies should entail often shows a considerable gulf in thinking.

The Civil Service and Ministerial responsibility

5. On many issues, by no means only the trivial ones, it is clear that it is the Departmental view which determines policy, and that it is the Civil Service view which determines the Ministerial view and not vice versa. This is not necessarily improper, nor is it to be condemned as a usurpation of authority or as distorting the democratic process. It can on occasion be open to all these charges, but, in terms of the relationships between Ministers and their advisers, the distinction between influence on decisions and the formal taking of decisions is often an artificial one. What is important is that this fact should be openly recognised, if only to ensure that those with a view on policies should have proper access to the points where those policies are being determined.

6. The way in which policies are formulated in Government Departments is such that only a very strong Minister can move policy in a radically new direction. It is generally recognised that, as the scale and complexity of Government increases, it takes longer and longer to translate into practice any decision in principle to adopt a new course of action. At the same time, the period in office of the average Minister is shortening. In Britain the average length of time in a particular office appears to be about 2 years, compared with about 4 years in many other countries, and in fact the period is probably shorter in Britain than in any other major country. In this situation Ministers feel the need to make instant reputations, and this has an important bearing on long-term planning.

7. One of the less welcome consequences of the need for Governments to seek a new mandate from the electors every 5 years at most is the concentration on short-term tactical considerations at the expense of long-term forward planning. Yet there is a growing recognition of the need for forward planning. The difficulty lies in establishing on what principles this forward planning should be carried out. Long-term policy is essentially a political matter. In this sense it is the political parties, rather than the Civil Service, that should perform this function. Yet Civil Servants are among the first to assert that, to be realistic, forward planning in terms of practical policies rather than general aspirations must have references not only to detailed research and statistical information but also to problems of administration. Most Civil Servants would assert furthermore that they alone are the custodians of this expertise.

8. One of the cardinal principles of the Civil Service is that it is a non-political Service, and that Civil Servants are litmus paper which turns red or blue as the General Election results are announced. They are ready to serve the Government which is elected, according to the principles of that Government. It is, however, increasingly recognised that this is a myth. Civil Servants do have views and collectively exert a very considerable influence on the policy of their Department and can be very jealous of their prerogatives if a Minister seeks advice from any other quarter. In their own language, the view which Civil Servants tend to express is the Departmental view. Taken together, the views of major Departments add up to the consensus of opinion of the administrative élite, one which is to a greater or lesser extent shared by those of similar status working in business, the law, the City, universities, and the "quality" press. These can in a quite special sense, because of their common educational background, be objectively described as the Establishment. Theirs is a very different

perspective from that of the working people of Britain, and basic social attitudes are likewise different.

The Civil Service and trade union perspectives

9. The General Council are encouraged by the signs of wider support for greater interchange between the Civil Service, universities and industry, and in general for broadening the base of entry. This growing consensus of opinion must be translated into practical action, in a way which has not happened in the past. In particular, it is clear that the Administrative Class of the Civil Service cannot continue to be recruited on the present basis, whereby some three-quarters of outside entrants still come straight from Oxbridge after taking a first degree and subsequently fill all the top posts in the Service. They form a tightly knit group of educationally privileged men who are effectively cut off from the mainstream of industrial experience.

10. This situation is in fact but a part of a wider problem—the existence of a social and intellectual tradition that often fails to recognise the urgency of a new approach to problems which appears obvious to the man in the street—notably in the area of social inequality. The tradition is one which derives from the notion of hierarchy, although this hierarchy is now ostensibly based on merit rather than on birth. It is a social and intellectual tradition which is adept at explaining why things are as they are in the face of pressing social problems in such fields as housing, urban planning and the social services, and is above all reflected in faulty diagnosis in the field of economic affairs.

11. This is not a question of conservatism. Old policies are not necessarily wrong and new policies are not necessarily right. Radical policies can be regressive as well as progressive. At the heart of the matter is the view of the world and the choice of priorities which is implied or reflected in the Treasury view. Just as in the 1930's policies for retrenchment successfully prevailed over the claims of full employment, so since the war the priority accorded to the maintenance of the wider convertibility of sterling largely for prestige reasons means that, when a choice has to be made, it is inevitably Britain's own economy and economic growth which suffer as a result of the lack of scrutiny of these established priorities. To trade unionists it appears that the Treasury and the Bank of England never consider whether it is not their own preconceptions that should be abandoned, rather than the maintenance of full employment.

12. The Trade Union Movement, reflecting the aspirations of workpeople, formulates policies which rest on the assumptions and perspective of working people. The General Council and the officers of the T.U.C. naturally share these assumptions. Disagreement with the view of a particular Government Department often results from the fact that the two sets of assumptions are different. For this reason the General Council often find that discussions with Government on questions affecting the interests of working people are unproductive. Whereas broad policy objectives may at first sight appear to be agreed, in practice the interpretation of what these policies should entail often shows a considerable gulf in thinking.

Economic policy and planning

13. The most important current example of this is the general strategy of economic policy, including incomes policy. The difference of view between the General Council and the Government on this stems from the fact that there is a basic irreconcilability between the determination of wages by bargaining and the determination of wages by the edict of a Government Department. If it is to succeed, incomes policy must be consistent with the essence of trade unionism, which is the right of working people themselves to decide how best to advance and protect their interests. This is not only a question of the impracticability of replacing collective bargaining in detail by Orders in Council, but touches on the basis of democracy, which requires a vigorous free Trade Union Movement.

14. Trade unionists assert that the case for and the methods chosen for planning in the field of capital have a justification which does not apply in the same way in the field of labour. In the former case, direct intervention by the Government, for example to rationalise the structure or to improve the export performance of major manufacturing industries such as aircraft, ship-building, motor vehicles and machine tools, affects commercial undertakings which are already corporate bodies with a hierarchical structure. The main change which takes place when industries pass under public control is that one centre of power is substituted for another. Intervention in the affairs of trade unions, on the other hand, would cut across the democratic basis of these organisations, substituting a hierarchical basis for it. Interference with the function of corporate bodies cannot therefore be looked at in the same light as interference with the function of trade unions.

15. Given the influence of Civil Servants on policy and planning, the central issue is this; on what principles should Civil Servants formulate judgments? There can be no doubt that the ground rules, explicitly or implicitly, accepted by Civil Servants are one of the most important determinants of the proposals which Ministers eventually make. These views derive from a philosophy of planning and of economic policy which, in the view of the General Council, is in many respects deficient at the present time.

The establishment of the D.E.A.

16. The establishment of the D.E.A. was in large part the result of the Labour Party's belief that the Treasury view of economic policy would always be a negative one. The protection of the pound is apparently regarded by the Treasury as an absolute priority, not just part of the balance of priorities. The tremendous influence of Treasury thinking on all aspects of Government was one of the most widely recognised aspects of Civil Service organisation. The Treasury was concerned not only with the Budget, the balance of payments and all other crucial areas of economic policy but also with the central management of the public sector, which in aggregate accounts for 25% of the nation's employment and some 50% of capital expenditure. The fact that the control of the Civil Service is also the Treasury's responsibility meant that the Treasury virtually held a veto over all important developments in the economic and social field.

17. It was primarily in order that there should deliberately be a second focus of economic power in Government, one committed to expansion, that the D.E.A. was established. Furthermore, the status of the Minister for Economic Affairs as First Secretary of State was intended to underline the importance of this role.

18. It is no secret that many Civil Servants in other Departments, apart from the Treasury, were and remain unenthusiastic about this development. The fact that the D.E.A. is now almost exclusively associated in the public mind with prices and incomes policy is in this context most unfortunate. Quite apart from the priority which should be accorded to regional planning, industrial organisation, criteria for public investment and so on, urgent attention should have been directed to the experience of drawing up the National Plan. There is a danger of the most important lessons of the last 2 years not being learned.

19. Two criticisms of the National Plan are legitimate. The first is that there was no ideology of planning to support it. The second was that there was an inadequate appraisal by the Government, and particularly in the Treasury, of what other policies had to change to make the Plan possible of achievement.

20. Both these criticisms reflect the central deficiency—that it was not clearly understood from the start that planning must be concerned with making things happen which would otherwise not have happened. Only if this is seen as the explicit purpose of planning can the deliberately chosen priorities for the whole economy be translated into practical action.

21. One of the main lessons to be drawn, therefore is, that for a National Plan to succeed, the planners must know what they are doing. This clearly requires a reappraisal of the philosophy of planning. As the role of Government increases, and as the continuing responsibility of Civil Servants likewise increases, with little scope for sudden changes of principle on the appointment of a new Minister, this question becomes of central importance.

The need for a National Planning College

22. At root, the arguments which the General Council are advancing do not raise the question whether Civil Servants should be political. They are already political, in the sense that they are concerned with the formulation of economic and social policy, and economic and social priorities. The real questions are how best to bring about an approach to economic and social questions which reflects a better balance between the interests of different sections of society, a large section of which consists of working people.

23. The deliberate acceptance of central economic planning, on the basis of consultation with both sides of industry, means that the parties to the planning must share some assumptions about what they are doing, and expertise in the techniques they employ.

24. This calls for the establishment of a centre for economic planning which all senior Civil Servants would attend over a period, together with people from industry, trade unions and universities. The staffing of this centre should receive

a very high priority and should include lecturers with planning experience overseas, and its direction should be under the general control of the N.E.D.C., on which all the interests mentioned are represented.

25. Courses for senior Civil Servants should last at least 6 months and be intensive. They should cover the study of social structure and social institutions as well as the techniques of economic planning and problems of industrial organisation. One particular requirement which such a college would be well placed to satisfy is the need for greater competence in preparing and using statistical information on a co-ordinated basis throughout Government, a need to which the Estimates Committee report on Government Statistical Services has recently referred. The needs of both sides of industry as users of statistics would readily be appreciated within the tripartite basis of the planning college. For new recruits courses should be much longer and be seen as a Government business school. The Centre for Administrative Studies is not adequate for this purpose.

26. This proposal does not mean that planning cannot be on the basis of general agreement. Nor does it imply that, as in France, planners should constitute an exclusive *élite*. The people of Britain are sufficiently aware of the nature of democracy to ensure that this does not happen. But it does mean that those concerned with planning would understand each other, and each others' assumptions, better. It is not a question of different groups outside the Civil Service being self-interested and Civil Servants being disinterested: the main criticism of many Civil Servants—which the proposal is designed to correct—is that they appear to believe that the wisdom of their group is the only reasonable and legitimate view which can be held.

27. On the other hand, just as the work of established Civil Servants will be deficient if they are not alive to the inadequacy of traditional economic and social philosophy, so likewise the contribution which can be made to the process of Government by outsiders (including academics) will go by default if they do not appreciate the nature of Government planning and administration.

28. While the establishment of planning units inside Departments has been a desirable innovation it is not in itself enough to secure the objectives that the General Council have in mind. The establishment, for example, of an economic planning section in the Ministry of Transport with direct access to the Minister has shown that a central planning section in this Ministry should have been established many years ago, but it has not solved the dilemma of reconciling the detailed administrative considerations, which individual sections of the Ministry are only too aware of, with the difficulty of getting a radical and integrated reappraisal of policies from within the Departmental machinery. The essential objective is that a coherent planning philosophy should permeate the Government machine and not be grafted onto it from outside.

29. In this context the General Council take the view that though there is scope for the introduction of special personal advisers to Ministers, this cannot be the fundamental reform which is needed. Central planning units should be part of the administration of a Department, planning being integral to the

whole, and it is desirable that all those concerned with the formulation of policy should have received training in the techniques and objectives of planning.

A Ministry for the Civil Service

30. The General Council believe that there is a strong case for separating the management of the Civil Service from the work of the Ministry of Finance. They therefore suggest that consideration be given to establishing a Ministry for the Civil Service which would be responsible for Civil Service management, pay, structure and appointments and have the explicit responsibility for the continuing examination of how the Civil Service could be kept up to date. Members of Parliament would then be able to ask useful questions about the structure of one Department against another and to bring out into the open and, if necessary, debate the major issues affecting the Civil Service; Members of Parliament would, however, need to exercise discretion in criticism, so as to ensure that the effect of their debates was not to reinforce the policy of safety first, playing according to the rules, discouraging initiative.

31. The Civil Service is now compelled to adopt defensive methods because every detail of day-to-day administration in Departments may be the subject of Parliamentary Questions. If a more dynamic and enterprising Civil Service is to be developed, it would be more useful to replace detailed Parliamentary Questions on day-to-day matters with occasional surveys in depth of the machinery of Government and Civil Service organisation, including the functioning of departmental and interdepartmental committees, little reference to the existence or function of which is made in public.

32. The whole question of rank in the Civil Service is one which individual unions have dealt with in their evidence. The General Council share the view that the rigid lines of demarcation which exist—making the Civil Service resemble the Armed Services, with the same formality of commissioned and non-commissioned officers—have an adverse effect on efficiency and morale and should be replaced by more modern concepts of civilian life, with wider delegation of initiative and responsibility. The Ministry for the Civil Service would be responsible for establishing an altogether more open service, less hemmed in by secrecy. As society as a whole becomes more open, so national administration should itself be judged by whether those affected by its actions can see that it operates in an intelligible way.

MEMORANDUM No. 116

submitted by

THE UNITED KINGDOM ATOMIC ENERGY AUTHORITY

December, 1966

The Authority's special relationship with Civil Service staffing arrangements

(a) The relationship and its origin

1. The U.K. Atomic Energy Authority, although outside the Civil Service, are for historical reasons broadly committed at present by Civil Service decisions on the pay and conditions of non-industrial staff. They have, therefore, a special interest in the work of the Fulton Committee, and they welcome the opportunity to give evidence to the Committee. Further, the Authority's experience in conducting a large scientific and technological organisation may be relevant to the Committee's consideration of the staff requirements of similar organisations in the Civil Service. In this memorandum reference is therefore made to certain departures from current Civil Service practice which the Authority have already made and to others which they think worthy of further consideration.

2. The atomic energy project was initiated by the Ministry of Supply in 1946, and by the end of 1953 (when the transitional Department of Atomic Energy was formed in preparation for the setting up of the Authority) some 7,000 non-industrial Civil Servants were directly engaged on atomic energy work. Following the establishment of the Authority in August 1954 these Civil Servants were seconded to the Authority on the condition that they would be free to accept or reject within two years offers of permanent employment with the Authority.

3. The form of the Authority's organisation followed the recommendations of a Committee under Lord Waverley's chairmanship. On staffing, the Committee concluded that "special arrangements will be required in respect of salaries and conditions of service to enable the Corporation to compete with industry for men for all its top level posts; below the top, however, all reasonable steps must be taken to avoid standards widely divergent from those in the Civil Service."

4. Since it was essential to the successful development of the atomic energy project that a high proportion of the Civil Servants seconded in 1954 should elect to transfer to Authority employment, the Waverley Committee recommendations were underwritten by Ministerial assurances that the Authority's terms of service would be not less favourable than those in the Civil Service. Offers of Authority appointments were in fact made to all except senior staff in terms of the Civil Service class and grade structure, and pay and conditions based on those applicable to Civil Servants. They were accepted by 88% of the

seconded non-industrial staff. The Authority Whitley Council subsequently (in 1956) confirmed by an agreement that pay and conditions for Authority staff would be no less favourable than those for analogous grades in the Civil Service, due allowance being made for factors peculiar to the Authority.

5. With minor exceptions the Authority's staff have continued to be represented by Civil Service staff associations, the majority of whose members are Civil Servants. This is in many ways a sensible arrangement given the circumstances. But it means, for example, that the associations comprising the Authority Staff Side are usually parties to the Civil Service agreements on which claims to the Authority are based, while the Authority Official Side have had no voice in them.

(b) The present organisation and staffing of the Authority

6. A note on the Authority's powers, organisation and financing is at Annex A. The number of non-industrial staff employed by the Authority at 31st December, 1965 was 17,936 (as compared with 7,116 at vesting date and 20,409 at peak strength). Just under one-third of these were ex-Civil Servants. An analysis of the staff by reference to the main groups quoted in paragraph 4 of the Treasury factual memorandum to the Committee would be as follows:

1	2	3	4	5
Staff Group	Strength	Col. 2 as % of total A.E.A. non-industrial strength	Comparable C.S. Groups expressed as % of total C.S. non-industrial strength	Col. 2 as % of comparable C.S. Group
Professional, Scientific and Technical	11,211	62.5	11.2	14.1
Ancillary and Miscellaneous	2,297	12.9	44.3 ¹	0.7
Administrative and Executive	1,192	6.6	11.6	1.5
Clerical, Secretarial and Typing	3,236	18.0	32.9	1.4
	17,936	100.0	100.0	2.5

¹ Includes 31.5 per cent Post Office minor and manipulative grades.

7. This staff distribution reflects the predominantly scientific and technical nature of the Authority's work, which requires a different pattern of staffing from that in the Civil Service generally. But there are a number of Departments whose activities are also mainly or partly scientific and technical.

Changes in Civil Service staff structure and pay arrangements introduced or considered by the authority

(a) Basic differences in Authority conditions of service

8. Before dealing with changes in Civil Service practice already introduced in the Authority in which the Committee may be interested, and further ideas for

change which the Authority would invite the Committee to consider, some basic differences between Authority and Civil Service conditions of service should be mentioned.

- (i) The Authority has no distinction between "established" and "temporary" staff. Apart from a few short term engagements (e.g. of temporary research associates and research fellows) all non-industrial appointments are pensionable.
- (ii) All Authority non-industrial staff have written contracts of employment which set out the grade and pay of the initial appointment and the general conditions of service. The main difference from Civil Service conditions is that there is provision for dismissal, normally at three month's notice, on specified grounds—misconduct, ill-health, serious inefficiency, redundancy or security.

(In practice this does not make employment with the Authority significantly less secure than established Civil Service, since it is difficult to discharge an employee under this provision except in circumstances which could also lead to termination of employment in the Civil Service. When faced with a need for substantial staff reductions in 1963, the Authority found it necessary to introduce a scheme of terminal benefits to help resolve surpluses. These benefits, made available in appropriate cases to staff leaving voluntarily in circumstances accepted as enabling formal redundancy action to be avoided, helped to achieve the necessary rundown without recourse to enforced redundancy dismissals).

- (iii) The Authority have their own superannuation scheme which is contributory, the employee's contribution being 6% of salary. (To allow for this Civil Service pay scales are appropriately enhanced when applied to Authority staff.) Rules and benefits are in principle similar to those available in the Civil Service under the Superannuation Act, 1965, but based on a normal retirement age for men of 65. There are a number of other differences, some of them designed to ease the problems of movement into and out of the organisation in mid-career. A note on the special features of the scheme is at Annex B.

(b) Higher management structure

9. For the reasons mentioned in Part I, the structure and pay of Authority staff up to the Principal Scientific Officer (P.S.O.), Engineer I (E.I.), and Chief Executive Officer (C.E.O.) levels is virtually identical with that in the Civil Service. Above these levels, however, the Authority have diverged from the Civil Service pattern. Between the P.S.O./E.I./C.E.O. grades (current maxima £2,925 to £3,325 a year) and the Members (whose salaries—at present in the range £7,000 to £9,500—are fixed from time to time by the Government) there are two categories only covering all disciplines (scientific, technological and administrative) and known as Band and Senior staff.

10. This structure for higher management has worked well. It encourages a sense of common status among staff of different disciplines and backgrounds, and emphasises the common responsibility and the broader approach which are

appropriate at these levels. It also facilitates the selection of those best fitted to fill vacancies at the higher levels. In all these ways it contributes to efficiency in an organisation whose functions require a high degree of integration of the efforts of scientists, technologists and administrators.

11. There are separate Appointments Boards for posts which are primarily scientific, engineering and technological, and administrative, but the unified staff structure means that there is no obstacle to consideration for a particular post of candidates whose training and background have been in a different, though related, field. There are posts for which either a scientist or an engineer might be suitable; for example, in the fields of technical assessment, technical policy, and design development. Other jobs which might be suitably filled by either a technical man or an administrator with appropriate experience occur in planning and programming, technical administration, the commercial field, personnel work and staff training.

12. An important feature is that salary progression is not automatic at these levels. Band staff are appointed within a defined salary range (currently £3,715 to £4,390) and the case for advances within this range is considered annually. Fully competent Band staff can expect to reach the maximum by annual increases over four years. Increases are withheld, however, from staff not considered to be making the contribution expected of them. On the other hand, increases higher than the normal (within the maximum of the range) may be given in cases in which the contribution is specially noteworthy.

13. Above the Band range, Senior staff are appointed at individually specified salaries, within confidential job maxima for their posts. The job maximum for a particular post is related to its responsibility and importance given the performance expected from a fully competent and experienced officer. The actual pay at the time of appointment and at subsequent reviews is assessed according to the contribution expected of or given by its holder. The pay of an individual may, exceptionally, exceed the assessed maximum for his post if his particular contribution is considered to be specially worthy.

14. The Authority are convinced that at these levels the normal Civil Service practice of virtually automatic salary increases or fixed salaries is not appropriate, and their experience has been that the time and effort involved in individual salary reviews is fully justified in terms of management efficiency.

(c) Structure below the level of higher management

(i) Administrative staff

15. In view of the proposal for a merger of the administrative and executive classes put to the Committee by the Treasury, the Authority's experience of a similar merger may be of interest. As the Authority's main activities, and the bulk of their staff, are technical, maintenance of the traditional Civil Service classes for comparatively small numbers of staff engaged on administration, spread over a decentralised organisation, would have presented a number of problems. The Authority therefore decided from the outset not to have a separate Administrative Class. The functions which in the Civil Service would

be shared between the Administrative, Executive and allied classes are, in the Authority, undertaken by the Executive Class up to C.E.O. level (the higher Executive grades are not used in the Authority) and by members of the unified Band and Senior staff grades above this level. The work involved is not greatly different in the Authority except that at the higher levels it is in general more managerial and less "political" in character than in most Government Departments.

16. A number of other classes have since been merged into the Executive/Clerical structure in the process of rationalising the staffing arrangements and securing increased flexibility. In 1962 and 1964 respectively the Professional Accountant and Labour Management Classes were absorbed into the Executive Class. In 1963 the Group Office Class was made obsolescent and its duties assigned to Executive and Clerical grades.

17. These mergers have, in the Authority's experience, proved beneficial in enabling more efficient use to be made of staff resources. The merging of specialist classes into general purpose classes does, however, enhance the need for pay flexibility to which reference is made below.

18. The recruitment as Executive Officers of the high quality graduates required to provide for the succession to the highest administrative posts has required a special effort. The Authority's experience in this field, which in the last year or two has been encouraging, is described in Annex C (paragraphs 11-13).

(ii) Scientific, technological and supporting staff

19. In the case of technical (as opposed to administrative) staff below Band level, the Authority have, in general, maintained the structure of classes and grades which they inherited from the Civil Service. They are finding increasingly, however, that this structure, devised twenty years ago, is out-dated and not well suited to the present-day requirements of science and technology. The current concept of the roles of the scientist and the technologist in the nation's economy emphasises the inter-relationship between research, development, design and execution. Against this background the Class divisions in the present structure between, say, staff in the Scientific Officer Class working on applied research and development, and highly qualified staff in the Engineer Class working on experimental engineering, development, conceptual design and the associated theoretical studies appear artificial. Working alongside (and sometimes interchangeable with) these people are physicists, metallurgists and chemists whose functions are more closely akin to those of the Engineering Class than to the traditional functions of the S.O. Class, and whose pay and structure is, in fact, linked to that of the Works Group of professionals.

20. In addition to these considerations, the rigid barriers between the different professional classes themselves and between the professional and sub-professional classes tend to discourage recruitment, hamper efficient staff deployment and give rise to unnecessary demarcation problems. For example, the career prospects offered by the Experimental Officer Class as now defined make it

increasingly unattractive to the graduates who just fail to qualify for the S.O. Class. This impedes the flow of good people into the E.O. Class which is essential if satisfactory standards of experimental work are to be maintained and if the kind of support is to be provided which will enable efficient use to be made of the high quality research scientist. The allocation of work in design offices, laboratories and works between professional engineers and the abler and more experienced draughtsmen and technicians is also made more difficult than it need be by the present formal distinctions.

21. The Authority have no doubt that these problems must also face the Civil Service. The Authority have not yet formulated detailed proposals for solving them or discussed the matter with the Staff Side of their Whitley Council. Any radical solution would no doubt be controversial, and agreement upon even a partial solution might not be easy. The Authority would however propose to re-examine their own situation when they know the outcome of any consideration which the Committee may feel able to give to this matter in relation to the Civil Service.

22. A radical solution would be to have—as with the Authority's Senior and Band Staff—a single pay structure for officers of all classes—Scientific, Technological and Administrative. An officer would be recruited to the section of the single promotion ladder appropriate to his qualifications and merit. His career would similarly proceed through successive grades (with common pay scales and conditions of service for all disciplines) according to qualifications, ability and responsibilities. A structure on these lines should provide maximum flexibility to find the right man for each job and maximum adaptability to changing needs and work programmes. Similar structures are already operated by some major employers in the U.K. and by a number of international organisations.

23. A less radical approach might lead to a merger of the Scientific and Technical Classes in the Civil Service parallel to that proposed by the Treasury on the Administrative/Executive side. This might include the present Scientific Officer, Experimental Officer, Engineer and linked Works Group Classes together with at least part of the Technical and Draughtsman classes, with points of entry related to O.N.C., H.N.C., graduate and honours graduate qualifications. (The Authority recognise that these suggestions run counter to the conclusion of a recent Civil Service committee (the Tennant Committee) that the Scientific and Experimental Classes should remain separate. The Authority accepted this conclusion—with reservations—at the time; they suggest, however, that it merits reconsideration.)

24. In any unified structure the Authority would attach importance to the provision of special arrangements to ensure that the highest quality men would be able—on merit—to achieve relatively early promotion. The Treasury's suggestion of a "starred" stream within a merged Administrative/Executive Class has been noted, and a solution might be found on similar lines. Any special arrangements of this kind would have to take account of the "Barlow White Paper" pledges for scientists, modified as necessary in the light of the new staff structure.

(d) Pay flexibility and progression

25. In order to help solve recruitment and retention problems, and to provide better incentives to the staff, the Authority see a need for greater flexibility in the pay of officers at P.S.O. and equivalent levels and below. (The degree of flexibility introduced above this level in the Authority has been described in paragraphs 12 and 13.)

26. Greater flexibility is needed to enable:

- (i) starting pay on recruitment to be related to the quality of the recruit and, where necessary, to the scarcity value of the particular type of staff required (e.g. mathematicians, electronics technicians, accountants at present); and
- (ii) subsequent pay to be related more closely to performance.

27. There is already some flexibility in assessing starting pay for certain classes and types of staff mainly by awarding a few increments above the appropriate age point in the pay scale to those with specially good degrees or other qualifications, or with post-graduate research experience. This is useful so far as it goes but the Authority feel that these arrangements now need to be extended if they are to deal adequately with the problem of recruiting staff in scarcity categories.

28. The Authority also think it important from the standpoint of managerial efficiency that in all grades there should be reasonable discretion to accelerate or hold back the salary progression according to the rate of development and ultimate potential of the officer concerned. Except for Band and Senior staff in the Authority, there is virtually no such managerial discretion at present on the basis of Civil Service practice, the scale increments being in practice automatic and uniform unless the individual is seriously unsatisfactory.

29. A difficulty of a different kind is that the rate of salary progression in side employment during the early years of a man's career appears to be considerably more rapid than Civil Service scales allow, even where the final salary may be no higher. This encourages wastage after two or three years service among Civil Servants in basic grades and could, for example, be partly responsible for the high wastage rate among young Executive Officers. Similar problems are found in the Engineer and Works Group Classes and in the S.O. Class. The pay scale for the grade of Engineer III and equivalent is often inadequate to retain men of promise who are yet regarded as too young and inexperienced for promotion to the main grade. (Promotion would involve, in the case of a basic grade Engineer aged 28, a salary increase of over £500 per annum). In the S.O. Class it is difficult to recruit and retain people in the 25-27 age bracket; S.O. pay at these ages tends to be insufficient, while recruitment into or promotion to the S.S.O. grade entails paying up to £600 a year more, and can be justified below the age of 27 or 28 only for exceptionally able people.

30. It would be possible to deal with the problems mentioned in paragraph 29 either in the course of reorganising the grade structure on the lines suggested earlier, or, failing that, by appropriate recasting of some of the basic scales. But

whether or not any structure changes are made, the Authority would urge that the Committee would support and encourage the introduction of greater pay flexibility as suggested in paragraphs 27 and 28.

Factors affecting staff mobility

31. The size of the work load required of the Authority in the first four or five years of their existence caused a rapid increase in staff. Then the work load began to show signs of diminishing, and the staff numbers had to be brought into balance with the smaller load. The Authority may well need to contract further. The Authority therefore have special experience of mid-career mobility and have particular interest in ways and means of promoting it.

32. Reference has already been made to the importance of a suitable system of terminal benefits in dealing with staff surpluses. It is also important that movement between the Civil Service, the public sectors of industry, and the universities and schools should be facilitated by, for example, more flexible arrangements for transfer and particularly for the transfer of pension rights.

33. For Authority staff becoming surplus to requirements, an obvious alternative is employment in a Government Department where the team structures and methods of working will be familiar. A particular obstacle to this (and no doubt it affects also staff of other employers) is the concept of "establishment" in the Civil Service.

34. There is in principle no difficulty about the movement of ex-established Civil Servants back into the Civil Service from other parts of the public sector. The Superannuation (Transfers between the Civil Service and Public Boards) Rules 1950 make it relatively easy to transfer pension rights back into the Civil Service in such cases if the individual is accepted for an established post. (In practice in the Authority's experience there are often hindrances of a different kind to such transfers, e.g. because outsiders, however suitable, cannot be considered if there is any possibility of filling the post from inside the Civil Service, or, particularly at the higher levels, because the Civil Service may insist on return in the same grade in which the man was serving when he left the service years before, even though both he and his contemporaries who remained have had promotion in the meantime.)

35. There is, however, a major difficulty in that a *temporary* post may often be the only suitable Civil Service opening initially available. A man who is already in pensionable employment is likely to be inhibited from joining the Civil Service as a "temporary" because, even if he has previously been an established Civil Servant, he has no assurance either of security or of being able to continue with his pension arrangements. Further, although terms and conditions of employment in the Authority, for example, are very similar to those of the Civil Service, and the qualifications required for the various grades are generally the same, Departments are precluded by the "establishment" rules from looking at any Authority employee other than an ex-established Civil Servant when "trawling" to fill permanent posts which cannot be filled within the Service.

36. Some of these difficulties would disappear if "temporary" Civil Service was abolished and all Civil Servants made pensionable (as in many other organisations). One way of doing this would be to have a contributory pension scheme for "temporary" Civil Servants not eligible to join existing schemes such as the F.S.S.U. This would make them more mobile and provide a way by which people already in pensionable employment could join the Civil Service, initially on a "temporary" basis, without loss of pension benefits.

37. An alternative and more radical approach to the problem of transfer within the public sector might be made by the establishment of one comprehensive pension scheme for the whole of that sector combined with a liberal policy on preservation of pension rights for those moving into and out of the public sector.

Authority experience in staff recruitment and development

38. Notes on Authority practice and experience in other aspects of staffing on which the Committee have invited comments are in Annex C.

ANNEX A

THE FUNCTIONS AND ORGANISATION OF THE UNITED KINGDOM ATOMIC ENERGY AUTHORITY

1. The Chairman and Members of the Atomic Energy Authority are appointed by the Minister of Technology under the Atomic Energy Authority Act 1954. The Act as amended by the Atomic Energy Authority Act 1959 includes provisions to the effect that:

- (a) There shall be not less than seven and not more than fifteen Members in addition to the Chairman.
- (b) Three of the Members shall be persons who have had wide experience of and shown capacity in dealing with problems of atomic energy; one shall be similarly qualified in administrative and financial matters; and one in organisation of workers.
- (c) The Minister shall have powers to give the Authority such direction as he may think fit, but shall not intervene in detail in the conduct by the Authority of their affairs unless overriding national interests so require.
- (d) The Authority shall have powers to carry on their business of research development, design, trading, and education and training in atomic energy matters, but they may not develop or produce any weapon except in accordance with arrangements made with designated Government Departments in the defence field, although they may on their own initiative conduct experimental work which may lead to improved types of explosive nuclear assemblies for weapons.

2. Section 4 of the Science and Technology Act, 1965, empowered the Minister of Technology to require the Authority to undertake research and development in science and technology outside the atomic energy field.

3. The Authority is financed from the Exchequer and the Atomic Energy Estimates are presented to Parliament by the Treasury each year. The Authority's activities are not subject to detailed Treasury control beyond that involved in the scrutiny of the Estimates and the supplements thereto (dealing with capital schemes, manpower, etc.) and the approval of capital works costing more than £100,000.

4. A recent development is the establishment of a self-financing Trading Fund covering the Authority's commercial activities (production and trading). This removes the Authority's gross expenditure and receipts in respect of these activities from the Vote. In the area covered by the Fund capital works up to £500,000 do not require specific Treasury approval.

The management structure of the Authority

5. The Authority is organised in five functional Groups, the Research, Reactor, Production, Weapons and Engineering Groups, and a London Office. The Heads of the first four Groups are Members of the Authority; the Head of the Engineering Group attends meetings of the Authority when matters within his sphere are discussed or his advice is otherwise required.

6. The day-to-day management of the Authority is in the hands of the Atomic Energy Executive, consisting of the full-time Members of the Authority, the Managing Directors of Groups, the Secretary of the Authority and the Authority Finance and Programmes Officer.

7. Each functional Group has a Board of Management, who are responsible collectively for the activities of the Group.

ANNEX B

THE AUTHORITY'S NON-INDUSTRIAL SUPERANNUATION SCHEME

Differences from Civil Service Superannuation arrangements

1. The Authority established (with Ministerial approval) their own non-industrial superannuation scheme which, in line with general Government policy, is contributory. The employee's contribution is 6% of salary and to allow for this Civil Service pay scales are enhanced by 7% when applied to equivalent Authority grades.

2. The rules and benefits are broadly similar to those available in the Civil Service under the Superannuation Act 1965, but

- (i) There are wider powers (which have been extensively used) for transferring pension rights from other employment into the Authority's scheme and for preserving or transferring the accrued pension rights of staff leaving the Authority to take up other employment.

- (ii) The scheme includes a useful facility for the purchase of "added years" of reckonable service. This enables staff recruited in middle life to increase, within limits laid down by the Inland Revenue, the number of years to count for pension purposes. (Forty years' reckonable service are needed in order to achieve maximum pension.)
- (iii) The scheme provides for members to purchase at moderate cost on recruitment, marriage, etc., immediate eligibility for ill-health pension and for dependents pensions in the event of death, and staff are strongly encouraged to take advantage of this. This cover would not otherwise apply until after ten years' service.
- (iv) Benefits for widows and dependent children are somewhat more generous and designed specially to cushion the sharp fall from full income to pension level when the head of a family dies suddenly in mid career.
- (v) Virtually all employees are pensionable, with a normal retirement age of 65 for men and 60 for women (though provision is made in the contract of service—see paragraph 8(ii) of the main evidence—for earlier termination in certain circumstances). It has been the Authority's policy to avoid a fringe of temporary staff: it was felt that this would tend to lead to invidious questions of status (with temporaries as "second class citizens") and to encourage recruitment of people not fully up to acceptable standards.

3. The normal retiring age of 65 was adopted on grounds of Government social policy. From the point of view of career management a situation under which every man has the right to serve until 65, unless he is unfit or seriously inefficient, has disadvantages compared with the Civil Service arrangement whereby service after age 60 for both men and women is at management's discretion. It is, for example, likely to lead to problems in the S.O. Class in the Authority, since the "Barlow" career pledges assumed a normal retirement age of 60 and not 65.

ANNEX C

AUTHORITY EXPERIENCE ON STAFF RECRUITMENT AND DEVELOPMENT

1. Recruitment

(a) Scientists and engineers

1. The Authority's recruitment needs have varied considerably over the years. In the period of rapid expansion there was an urgent need for staff at all levels. The fixed-starting-pay rules hampered the recruitment of people with a few years' experience to the basic grades. The degree of recruitment difficulty varied, depending on factors such as the attraction of the work to particular recruits, and the geographical isolation, or otherwise, of particular establishments. Currently, with numbers reducing, recruitment is almost entirely of graduates and school-leavers to the normal recruitment grades.

2. In 1965 some 150 science and engineering graduates accepted permanent appointments. These included about 80 in the Scientific Officer Class, 10 in the scientific disciplines of the Works Group, and 10 professional engineers, including graduate apprentices. The remainder mainly joined the Experimental Class.

3. Except for the Weapons Group, which has special problems, all Groups were able to meet most of their requirements, in terms of numbers, for the Scientific Officer Class; but the effort required to do so varied with the nature of the work on offer, the degree of scientific interest in the activities of the particular establishment, and its geographical location. Most Groups would have liked more recruits of the highest quality but the general standard was regarded as reasonably satisfactory. It appears that the increased tendency for science graduates to remain at their universities to study for higher degrees is making the recruitment of good people at the first degree stage progressively more difficult although for some appointments recruitment at the Ph.D. stage is preferred. Just over 50% of the Scientific Officer recruits in 1965 had higher degrees; the Atomic Energy Research Establishment at Harwell attracted the highest proportion of these. Some 15% of the total S.O. recruitment (including those with higher degrees) had secured 1st class honours in their first degrees.

4. Recruitment of good graduate engineers has for some time been difficult. The Authority are increasingly relying for their future professional engineers on their Student Apprenticeship Scheme, which offers full-time University or Sandwich Courses to good school-leavers. A similar scheme of university scholarships for school-leavers interested in applied science was introduced some three years ago, and is a potential source of recruitment for the future for the scientific disciplines in the Works Group.

5. A co-ordinated programme of visits to universities is planned each year by the Groups and most of the 1965 graduate recruits, other than those appointed to Harwell, were identified as a result of this campaign. Harwell's sources of recruitment were more varied. Some of their recruits with higher degrees resulted from contacts maintained since the people concerned attended the Open Days which the Establishment arranges annually for first degree graduates: others came to notice through close personal links which have been established between the Establishment and universities.

6. The North American recruitment campaign, run jointly by the Authority, the Civil Service Commission and C.E.G.B. provided another useful recruitment source, particularly for scientists with higher degrees and useful subsequent experience. As mentioned in the main paper, the difference (of the order of £500 to £600) between the salary which can be offered to these people for S.O. grade compared with S.S.O. grade appointments creates problems. It discourages particularly people aged about 26, and nearly, but not quite, ready for the S.S.O. grade.

7. Another recurring problem dealt with in the main paper is that the salary rules make no allowance for flexibility to deal with the scarcities which occur in particular disciplines from time to time. For example, for several years the

Authority have had particular difficulty in meeting their requirements for mathematicians, although the position eased somewhat in 1965.

(b) Supporting staff in the scientific and engineering fields

8. There are increasing difficulties in attracting good graduates into the Experimental Class, but the Authority have so far experienced no major difficulty in recruiting school leavers to the Scientific Assistant Class. Recruitment to the Technical Class has been small during the recent years of contraction: most of the requirement has been met by internal promotions of industrial craftsmen. There has been a continuing problem however of attracting sufficient technicians in the electronics and light electrical field—an area of national scarcity—aggravated by heavy wastage of technical craftsmen in these fields. There is also a high turnover of reactor operators, created by the needs of the nuclear power stations, but the Authority are managing to keep pace with this through their training programmes.

9. Draughtsmen have also presented a scarcity problem: by maintaining almost continuous recruitment efforts the intake has been just about sufficient to offset wastage but the constant drain of experienced staff has been uneconomic and inefficient. The last few months have seen some improvements here also.

10. The small recruitment requirements for other supporting staff present no real problems.

(c) Administrators

11. As mentioned in their main evidence, the Authority have merged a number of classes on the administrative side into the Executive Class, and recruit to this Class at various academic levels. The procedure for selection of high quality graduates is on the lines of that used by C.S.S.B. for the Administrative Class and the standard is much the same as that set for the Assistant Principal although the Authority possibly places greater emphasis on potential managerial qualities.

12. Current requirements are small—about five a year—but even so it is not easy to fill them all with graduates of the quality desired. In recent years a considerable effort has been made to dispel the belief, which was widespread in the universities, that the Authority have little to offer the good arts graduate. A combination of extensive visits to universities, special recruitment literature and display type press advertisements has produced a much better flow of applications, and the present situation is reasonably satisfactory.

13. The Authority also include in the Executive/Administrative structure professional accountants and staff engaged in non-scientific automatic data processing work such as computer programming and systems analysis. In common with other organisations the Authority have been experiencing considerable difficulty in recruiting and retaining qualified accountants, and in retaining staff whom they have trained in computer work, in face of the national

shortages which exist. A four-year sandwich course scheme has recently been introduced in the Authority to train "A" level school-leavers for professional accounting qualifications.

(d) Supporting clerical, secretarial and typing staff

14. Turnover in these classes, which include a larger proportion of women, is always high. Recruitment in the London area, particularly of secretarial and typing staff, is not easy. Elsewhere the problems are less acute.

II. Staff management training and development

15. The Authority's Groups and major Establishments are largely responsible (within programmes and financial estimates approved by the Authority) for their own staff management, including staff complements, recruitment, certain promotions, career planning and training.

16. The separate Appointments Boards referred to in paragraph 11 of the Authority's main evidence, each chaired by an Authority Member and with inter-Group membership, advise on staffing policy for, respectively, the Scientific Classes; the Engineering and allied Classes; and the Executive, Clerical and allied Classes. In addition to a direct responsibility for appointments at the higher levels these Boards have general oversight of the decentralised promotion machinery operating at lower levels in their respective fields.

17. A Senior Appointments Board, consisting of the Authority Chairman, Deputy Chairman and full-time Members and the Authority Personnel Officer co-ordinates and reviews staffing policy on matters of common interest and takes direct responsibility for appointments at Group Board of Management and comparable levels.

(a) Scientists and engineers—technical potential

18. Up to the P.S.O. level the interests of good scientists, and generally the work on which they can most profitably be employed, tend to be related to their own particular scientific research or development fields, and the scope for planned movement within the organisation is limited.

19. Training to broaden scientific knowledge and experience is, for the most part, related to the provision of opportunities for exchanges of ideas with other scientists working in like fields. The Authority sponsor very considerable programmes of internal scientific colloquia and conferences: and make substantial provision for attendance at international and other external scientific and technological conferences.

20. Scientists of high quality are quite frequently seconded to overseas laboratories with comparable interests, e.g. in America.

21. All graduate engineer recruits have planned professional experience in their first two years. This is followed, wherever practicable, by planned postings so that by the time the officer is ready for promotion to the main grade (E.II

level) he should normally have held responsible appointments providing a range of experience within his professional discipline. More than one posting at E.II level is normally thought desirable before further advancement.

22. In practice, much of the staff movement which fosters the career development of professional engineers and technologists arises from changing needs of the work programme. Additional planned movement of individuals designed primarily for career development is not often necessary except for the outstanding people.

(b) Scientists and engineers—management potential

23. Most Scientific Officers, other than those whose work is of a highly individual nature, gain some management experience by progressive responsibility for the organisation of the work of the varying scientific teams under their control. A significant proportion of the engineers at E.II level have quite substantial management responsibilities, involving them, for example, in industrial labour problems.

24. This "on-the-job" training is supplemented for both scientists and engineers with good management potential by associating them with policy discussions and managerial activities calculated to broaden their outlook.

(c) Administrators

25. The few high-quality graduates recruited as Executive Officers enjoy enhanced starting pay but they are not distinguished in status or employment from other Executive Officers. Their training is primarily "on-the-job" although use is made of various internal training courses and some external courses (such as those run for Assistant Principals and Principals at the Centre for Administrative Studies). Once a year the Appointments Board concerned reviews in some detail the development of all those in the Executive Class regarded as having potential for higher management (*not* exclusively the special entry graduates) and considers what, if any, additional postings are desirable to broaden their experience.

(d) General

26. Staff with potential are identified by a variety of means, including close liaison in Groups between the senior technical and personnel staff, by positive study of Annual Confidential Reports, and through the findings of promotion panels. The four Appointments Boards take a direct interest in the career developments of staff so identified.

27. Each of the Groups has, since 1956, run management conferences and courses at junior, middle and senior management levels. The courses at middle and senior levels are usually residential: they bring together scientists, engineers and administrators from all Groups. The aim is for all staff at the S.S.O. and equivalent levels to attend middle management courses. Attendance at the

senior management conferences for staff at P.S.O. and equivalent levels and above is selective and related to the people most likely to benefit. Nearly 500 staff have attended these senior courses over the past ten years.

28. In addition, staff of good potential are selected for a range of external courses, including those run by the Henley Staff College and the New Business Schools.

MEMORANDUM No. 117

submitted by

THE CENTRAL YOUTH EMPLOYMENT EXECUTIVE

summarising the views of

YOUTH EMPLOYMENT OFFICERS

January, 1967

1. Following a request from the Committee on the Civil Service for evidence from Youth Employment Officers, Regional Representatives of the Central Youth Employment Executive were asked to obtain views on various aspects of recruitment from a selection of Youth Employment Officers in differing types of area throughout the country. Sixty-five Youth Employment Officers in all were approached and their answers have been summarised. No attempt has been made to evaluate replies or to correct possible misapprehensions. What is said below therefore represents the views of a cross-section of Youth Employment Officers working in the field. On some questions Youth Employment Officers expressed remarkably similar views; on others there were differences of opinion which could be traced to differences between good and poor employment areas; in others again, the views of Youth Employment Officers were clearly divided.

(1) What are the attitudes of those young people who have the necessary educational and personal qualifications towards a Civil Service career in:

(a) *The Executive Class*

2. Youth Employment Officers said that most young people reaching a good "A" level standard aimed at further education at a university or elsewhere. The appeal of the Executive Class was therefore to the less able "A" level candidates, to those who failed to get university places and to those, especially girls, who were attracted by the prospect of administrative type of work without further study. The better "A" level candidates who wanted to enter employment on leaving school, however, tended to look for jobs offering facilities for part-time study leading to recognised professional qualifications.

3. Attitudes were most favourable in areas where there was less variety of employment; where earnings were relatively low the Executive Officer's salary was well above the average and he started several rungs up a clearly-defined ladder of promotion, with a status and a career; in fact, it was the promotion prospect which attracted some people. Other points mentioned as attracting young people were equal pay for women, security, and the marriage gratuity. On the whole, girls seemed to be more interested than boys, possibly because the pay scales were rather more favourable for them than for other openings at this level in the provinces.

4. There was a general feeling that more and better publicity, would improve the attractiveness of the Civil Service (see paragraph 20). The term "Executive Officer" means little to young people, and this may partly account for the greater popularity of the Departments which can be regarded as social work, the more specialised ones, and those which appear interesting to the outsider. Youth Employment Officers felt that where an attractive image of the work could be presented, young people were more willing to consider it, but in the absence of this they tended to have a picture of dreary desk work with little scope for initiative, and offering little in the way of glamour or interest.

5. Lack of local opportunities at this level was also a factor which counted against the Civil Service. Young people tended to lose interest, or even to turn down the idea of a Civil Service career when they found that they had to accept appointment away from home. Another reason why candidates were lost was the seemingly haphazard method of allocation to Departments.

(b) The Clerical Class

6. In areas where there is little diversification of industry and unemployment has been part of the parents' background, Youth Employment Officers said that the Civil Service was regarded as safe and secure and this had considerable recruitment value. On the other hand, in areas of full employment, young people tended to be conditioned to think that industry and commerce would recognise and reward personal qualities to a greater extent and would provide quicker and more attractive returns. This attitude was encouraged by advertisements which appeared in the national press from time to time, for example from banks offering the prospect of managerial positions by the age of 30. In most areas, however, there was no lack of interest in clerical openings; salaries and conditions, at least in the initial stages, compared favourably with industry and the Civil Service was thoroughly acceptable to would-be clerical workers looking for a good, steady career. It was said to be particularly popular in rural areas and in others where there is little variety of employment; it was regarded as safe and well paid, even if somewhat dull and unadventurous, especially by the good Secondary Modern School leavers. In many districts, the current trend was for students with five or more "O" levels to stay on at school, and those who left tended to aim for industry, commerce or the professions where, they considered, more attractive career prospect existed, with facilities for study for higher or professional qualifications.

7. Youth Employment Officers stressed that, as with the Executive Classes, there was a need for a clearer projection of the work, and what is offered. Too often, the image was of an uninteresting type of work—"little grey men in dry dusty offices". Similar careers in industry appeared on the surface to be more attractive because of the nature of the organisation, rather than the type of work to be done.

8. Some other objections to clerical work in the Civil Service included the lack of local opportunities and the liability for transfer away from home. This was a particular deterrent in areas where there were equally attractive clerical vacancies locally. Some young people, especially boys, were said to regard the

wages as too low and the clerical salary scale too long, since the maximum in the grade cannot be reached before the age of 35 years; there are fewer fringe benefits such as are offered by many commercial employers. Another complaint was that the chances of promotion were thought to be poor; the better qualified young people tended to look for commercial apprenticeships which offered facilities for study leading to higher posts and were felt to have better long term prospects. In some cases the Civil Service was regarded as the exercise of Government authority and there was a tendency by young people to look to those fields of employment which would not bring them into conflict with the general public.

(c) The Professional, Scientific and Technical Classes (so far as young people are eligible for recruitment to these Classes)

9. There was a division of opinion about the popularity of these Classes. Some Youth Employment Officers said that many young people preferred to qualify for scientific and technical careers by further full-time education, and some others who might be interested seemed to be deterred by the fact that they had to start as Scientific Assistants. The need for experience prior to establishment was also said to be a discouragement to recruitment. There was a widely held belief that promotion prospects were lacking and that in some establishments at least there was little scope for non-graduate entrants. Some young people in the Scientific Assistant grade were said to have expressed dissatisfaction at the routine nature of the duties. Comparable posts in industry were thought to offer good prospects without the disadvantage of having to move away from home. The Civil Service was felt to have fallen behind in competition with employers in the private sector. It was suggested that many more young people would be ready to enter the Scientific Civil Service if Government Departments offered sponsorship of sandwich courses leading to professional and scientific qualifications; and if the inducement at present offered to engineering trainees were made available to young entrants in architecture, accountancy, economics, sociology and the like.

10. The experience of other Youth Employment Officers, however, was that this method of entry was popular and vacancies in the Assistant Experimental Officer and Scientific Assistant grades were at least as, and in some cases more, attractive than equivalent posts in industry. Particularly sought after were openings in biological work and as Post Office trainee technicians. Young people were also attracted to specialised work such as meteorology and cartography. Some of the more highly-qualified, older school-leavers regarded the opportunities for research with favour, although they considered the maximum salaries were too low. As with other grades, the lack of local opportunities was a deterrent.

(2) Has the attractiveness of a Civil Service career been increasing or decreasing of late? If so, what appears to be the reasons for this?

11. There was little real evidence one way or the other, but the general impression gained was that the Civil Service has been declining in popularity over

the last decade. With something less than full employment, however, there might well be a swing in favour of the security of established posts in the near future.

12. The reasons put forward for the diminishing popularity of the Civil Service were mainly concerned with the rates of pay, particularly in the 20-30 age group; the widespread belief that Civil Service work is largely routine, with little or no opportunity to exercise initiative; the seemingly poor promotion prospects and the liability for transfer away from home, either initially or later on, and the lack of choice in posting which put it at a disadvantage when local employers could offer comparable careers. Perhaps more important, in the view of Youth Employment Officers, was the fact that the favourable economic climate over the last 20 years had forced employers, seeking to employ and retain the more able school leavers, to improve their working conditions in every way, and in many cases to adopt planned commercial and administrative training schemes which lead to professional qualifications. By contrast the previous attractions of the Civil Service in the shape of security of employment, sick pay and holidays were now available to the majority in comparable outside employment, and carried less weight than in the past, particularly in large industrial areas with plentiful opportunities where the young people entered a seller's market.

13. On the credit side, the arrangements for local recruitment to the Clerical Assistant and Clerical Officer grades meant that young people could now be assured of a first posting in their home areas, and that they could know what vacancies are available locally. Also, the schemes for siting a number of departmental offices in provincial areas had boosted interest recently, since the presence of a large Government Department in a locality increased the attraction of the type of work offered so long as it remained within daily travelling distance. This was particularly the case in the more rural areas. Wages in the provinces, especially for girls, compared favourably with those for equivalent jobs in other organisations. It was said to be mainly amongst girls and in areas of relatively poor employment prospects, that Civil Service vacancies had increased in popularity.

(3) Would changes in recruitment procedure or methods for making information about careers in the Civil Service more widely known increase the attractiveness of a Civil Service career? If so, what changes are desirable?

14. *Recruitment Procedure.* The main change which Youth Employment Officers would like to see is a greater devolution to regions of responsibility for recruitment. There is a widespread feeling that what is needed is a full-time Regional Representative of the Civil Service Commission to be responsible for recruitment within a specific geographical area. The present system of part-time Regional Representatives was said to be unsatisfactory. Few officers could give enough time to the work in addition to performing their normal duties; often they could only give full information about their own Departments; and they might not be skilled in interviewing young people.

15. The introduction of local recruitment for clerical posts was thought to be an improvement but not to be entirely satisfactory. Youth Employment Officers considered it undesirable for different Departments to receive applications and particularly that the Department most often responsible for co-ordinating recruitment was the Inland Revenue Department, which was thought not to have an attractive public image. The extension of local recruitment to the Executive Class was favoured by some but not by all. On the other hand there was thought by one Youth Employment Officer to be a need for some form of central clearing house for vacancies in certain specialist occupations such as G.P.O. trainee technicians and cartographical draughtsmen.

16. The time-lag in making appointments was widely thought to act as a deterrent to engagement. This was felt to put the Civil Service at a disadvantage compared with industry and commerce, especially towards the end of the summer term. School-leavers usually applied for several jobs and were not prepared to wait for the decision of Departments when other immediate vacancies were available. Many good candidates were said to have been lost in this way. Youth Employment Officers suggested that provisional or temporary appointments should be made pending examination results.

17. A more flexible approach to entry qualifications was suggested; the insistence on G.C.E. passes was felt to be too rigid, and it was thought that alternatives such as O.N.D./H.N.D. Business Studies should be acceptable. It was also believed that recruitment would be assisted if Executive Class entrants could be accepted with one "A" level and offered a sandwich course as an alternative to a third year in the sixth form. Similarly, the acceptance of Clerical Officer candidates with three "O" levels was suggested.

18. A simplification of application forms and entry procedure was advocated. There was also a suggestion that provision might be made for a limited number of supernumary posts; young people were said to be lost to the Clerical grades because there are no immediate vacancies and if they could be recruited into supernumary posts, there could be a supply of clerks ready trained by the time vacancies became available.

19. The present system was felt by some to work to the disadvantage of young people because they were in competition with adults, particularly in rural areas where vacancies were scarce. To overcome this, a proportion of vacancies might be set aside for the under 20-year-olds, with a waiting list established following interviewing panels held at regular intervals of six months or so.

20. *Careers Information.* Civil Service literature was praised for its fair presentation of facts, but was thought by some to fail to catch the attention to the same extent as the publicity material presented by other organisations. In particular this was felt to be so in the case of literature about the Professional, Scientific and Technical Classes. It was especially desirable to correct the impression that a Civil Service career is dull and stuffy.

21. There was a general feeling that literature should relate to specific jobs rather than to classes. To this end, emphasis might be placed on the work of the

individual within a department, so that young people could aim at a career in, say, the Department of Education and Science, the Ministry of Social Security or the Ministry of Labour rather than in the Civil Service.

22. Other suggestions were:

- (a) The provision of a colourful poster about the Civil Service for schools, Youth Employment Offices, etc.;
- (b) display panels, films, film strips, press, radio, T.V. and cinema publicity, designed to give an impression of what the work really involves;
- (c) the issue of an attractive, six-monthly summary of opportunities, to be produced in poster form suitable for school careers notice boards. This could replace the considerable quantity of routine items sent to schools in a continuous flow, which tended to get overlooked.

23. The establishment of Civil Service Commission regional offices as suggested in paragraph 14 would make it possible to provide a continuous information service, with staff available to visit schools, and attend Careers Conventions and Exhibitions. It was widely thought that this would do much to improve recruitment. An alternative would be the establishment of local Information Offices in various parts of the country, on the lines of the Forces Recruiting Offices.

(4) Would changes in conditions of service increase or decrease the attractiveness of a Civil Service career?

Mobility and Salaries

24. Youth Employment Officers agreed that the mobility requirement was a strong disincentive to recruitment in all grades. The assurance of a specific period in the home area to begin with, or the removal of liability to transfer would prove an important factor in increasing the attractiveness of the Civil Service as a career. Interdepartmental transfer, rather than moves from place to place within one Department, was suggested, and local government service was cited as an example of this.

25. Initial salaries were thought to compare reasonably well with those in industry and commerce and to be quite attractive in most areas. An exception is the London Region where the London Weighting was considered by some to be inadequate. Other changes in conditions suggested by Youth Employment Officers were that pay scales, especially in the Clerical Class, should be shortened and rates of pay in the 20-30 age group improved.

Training

26. Many Youth Employment Officers thought that improved training arrangements would make the Service more attractive. Suggestions to this end included

- (a) There should be residential training centres for young people under 21 years of age.

- (b) Training within departments should be improved.
- (c) Sandwich courses for "A" level entrants and University drop-outs should be introduced, with appropriate degree or diploma courses, e.g. in sociology or economics or for a qualification specially designed for the service. This would help the Executive Class to recruit "A" level candidates who are potential university graduates.
- (d) At lower levels, there should be provision for day- or block-release courses to enable young people to study for professional or other qualifications leading to better salaries and improved promotion prospects.

Recruitment would also be aided if there were more careful allocation to Departments suitable to young people's aptitudes and preferences, and more attention given to the recruitment of young people with special qualifications for specific jobs.

Accommodation and Welfare

27. It was thought that the attractiveness of the Civil Service would be increased by more assistance with accommodation, including the provision of housing or assistance with accommodation, or assistance with house purchase. The provision of better hostel accommodation, and higher lodging allowances for young people taking up appointments in London were also suggested. It was felt that provision should be made for more publicity about the welfare arrangements available.

(5) Would, for example, changes in the Class structure of the Civil Service and in particular provision for a larger graduate entry at executive as well as administrative level have any effect on young people's attitudes?

28. On this question there was no clear consensus among Youth Employment Officers; views were almost equally divided between the "Ayes", "Noes" and "Don't Knows".

29. As regards possible changes in the Class structure, the point was made several times that the great majority of young people do not appreciate the significance of the Class structure and therefore any changes in it would not affect their attitude, at least before entry.

30. Views on the effects of a larger graduate entry varied considerably. Those who thought that this would make the Service less attractive to "O" and "A" level candidates ("A-levellers already have a fear that graduates steal away their chances of promotion") were more or less matched by those who thought that this would not prove the case. Many Youth Employment Officers did not feel in a position to venture an opinion. On balance the majority view was that while the larger graduate entry would inevitably have some effect on recruitment, particularly at "A" level, this should not prove serious provided a clear avenue of promotion for the able young person who had not gone to

university not only existed but was clearly seen to exist. It was suggested, for example, that this could be achieved by the provision of sandwich courses for "A" level leavers to enable them to reach the same attainment level as graduates over a longer period, while also having the practical experience to their credit at the end of that period.

MEMORANDUM No. 118

submitted by

MR. R. G. S. BROWN

*Senior Lecturer in Social Administration, University of Hull
(formerly Principal, Civil Service)*

March, 1967

Summary

1. Human aspects tend to be overlooked in discussions about the public service. The purpose of this memorandum is to draw attention, briefly, to some human problems bearing on the efficiency of the Civil Service and to the human implications of some proposals for reform. Essentially, the memorandum constitutes a plea that certain questions should be left open for systematic investigation. It is suggested that research is particularly needed, and is likely to prove valuable, on:

- (a) the motivation and morale of senior Civil Servants;
- (b) the allocation of functions to departments;
- (c) the arrangements for research and planning.

General

2. The Civil Service is, on the whole, a good employer. Its personnel practices have been developed over a long period, in which Whitley machinery has played a large part. They have usually been adopted because they were intuitively felt to be "right", or because they emerged from negotiation with staff associations, rather than because they have been validated systematically. Many of them (notably the superannuation code) have been imitated or surpassed by other employers and are no longer as attractive as they once were. There is a good case for subjecting them to a systematic appraisal, and for extending this appraisal to other features of life in the Civil Service that are likely to have an effect on the performance of its members.

3. The main functional problem facing the Civil Service is the tremendous increase in the complexity and above all in the variety of its work. It is, *prima facie*, unlikely that general solutions—such as more (or less) mobility, training courses in management techniques, or joint directorates—will solve all the specific problems. There is a need to explore particular questions of organisation in detail, using social science methods to test propositions that tend to be advanced dogmatically on impressionistic evidence. The potential value of this approach can be illustrated in three contrasting areas which come within the purview of the Committee.

Motivation and Morale

4. Surprisingly little is known about the motivations of senior public servants, the attitudes they have to their work and the satisfactions they get from it. A study some years ago suggested that Civil Servants placed a higher value on security than on the intrinsic interest of the job. The Acton Society Trust found that finalists at a red-brick university thought a Civil Service career unlikely to satisfy their desire for personal independence and the opportunity to use their degree. This survey was interpreted to mean that there had been a failure to communicate the potential excitement of a post in central Government. But it is doubtful how far this excitement is, in fact, shared by administrators below the highest ranks. A young Principal is a junior member of a hierarchical structure headed by a Minister whose focus of interest is likely to change unpredictably according to parliamentary business. Frequent postings may deprive him of the self-confidence and security that comes from knowing his job. He is likely to be discouraged from working in any depth. For some people, at least, such a life is likely to be unsatisfying and to compare very unfavourably with the freedom of, say, a university teacher.

5. It may be argued that wastage from the junior Administrative grades is not high. (Wastage at the top is another matter.) But a Principal in his late twenties (or even an Assistant Principal, once he has qualified for a Private Secretary's allowance) may not find it easy to move into university teaching without a sharp drop in salary. It may be more significant that a few do move than that others do not.

6. If there is in fact widespread dissatisfaction, it may be affecting recruitment as well as the commitment of existing Civil Servants to their work. We need to know more about the reactions of individual administrators to their experiences in the Service. We also need to know whether any malaise is associated with unavoidable features of the work (like accountability through a Minister to Parliament) or with avoidable ones (like frequent changes of job). It may be that a perfectly valid objective, such as the broadening of experience, is being pursued at excessive cost in human terms. Only a critical and "social science" approach to establishment work can clarify the nature of the choice.

7. Similar investigations are needed to predict the probable effects of making the Civil Service less of a closed career. It is at least possible that transferable pension rights would be taken up by a high proportion of Civil Servants with initiative and initiative while the timid were induced by the improved promotion prospects to stay behind. Social science research could allow such a possibility to be assessed more realistically.

Departmental Functions

8. The last few years have seen the third major attempt this century to reshuffle the functions of government under departmental Ministers. One example of this experimental approach is the proposal before you that responsibility for Civil Service personnel should be taken away from the Treasury; the arguments are the familiar ones that this will secure greater expertise, protect training schemes from economy campaigns, and so forth.

9. In the terms in which this question is normally put, there is no way of resolving it. There are, for example, no criteria for comparing the contribution of the Department of Economic Affairs to national growth with what could have been achieved by an expanded Treasury. The obvious questions about functions revolve round the political strength and interests of Ministers, not of their administrative staff.

10. But there is also an administrative question, which is general enough to deserve study. The departmental system is bound to have some effect on the careers and experience of individual administrators and on the way they communicate with each other. For example, the argument that staffing problems cannot be tackled imaginatively within the Treasury is valid only if: (a) the relevant staff have previously worked on the "regulatory" side and are indelibly stained by this experience; or (b) they are constantly reminded of short-term considerations by the pattern of communication and decision making within the Treasury. I am not concerned to pursue this particular argument. What I do want to stress is that this is a somewhat unsophisticated formulation of a problem about the training and frame of reference of specific administrators and that it is in principle researchable. There are almost certainly lessons of this sort to be learned from a study of recent administrative innovations, such as:

- (a) the organisation of the Department of Education and Science on "federal" lines for a few months in 1964 and the less complete experiment with federalism in the Treasury from 1962 to 1964;
- (b) the association of the National Health Service with varying combinations of social and institutional services in the Scottish, Welsh and Northern Irish Departments since 1962;
- (c) the absorption of the National Assistance Board in the Ministry of Social Security.

11. It has been suggested that Civil Servants should be organised in bureaux, which could be grouped and re-grouped under Ministers without affecting career structures, rather than in departments. A serious consideration of this proposal would entail studies along the above lines, as well as a study of experience in other countries.

12. A related problem is the extent to which a standard pattern of organisation should be applied in all departments, regardless of their functions and problems. It is just becoming possible in industry to classify enterprises according to the kind of technology they employ or the conditions in which they are operating and to suggest the management structure that is most likely to be successful. It seems desirable to try and apply similar techniques to government departments. There is now a great variety of administrative structures, involving different relationships between specialists and generalists, which have considerable implications for recruitment and career development as well as for the immediate decision-making process. Before some of these experiments harden into orthodoxy, it seems opportune to attempt an independent evaluation of some of them, with a view to discovering which pattern of decision-making is most economical, which is most responsive to political, social, economic or technical change, which is most prone to internecine conflict, and so on.

Research and Planning

13. A major element in recent criticism of the Civil Service has been the belief that it is ill-adapted to initiate new policies. This complaint is not new. (Nor does it apply only to Government Departments.) Fifty years ago, the Haldane Committee urged that administrators should be persuaded or encouraged to give more time to "enquiry, research and reflection". We know now that this view was naive. It is extremely difficult for staff who are coping with day-to-day pressures to find time for long-term work that is critical and constructive. Specific provision has to be made for research and planning if it is to be done at all. Research suggests that radical re-thinking is easiest for staff who are insulated from the ordinary routines, who have a low commitment to the traditional way of doing things and are allowed to work in an atmosphere where unorthodoxy is highly valued. It is also likely that innovation occurs most spontaneously in units which are reasonably independent of others and of close control.

14. Many of these requirements are incompatible with those of a conventional executive system, designed to foster loyalty and predictability, whose members are under some pressure to abstain from unorthodoxies that may impede the smooth flow of business. Consequently, Departments (and Ministers) have evidently found it difficult to find a satisfactory arrangement. In some cases, the thinking has been left to outsiders, either through research contracts or through political seminars; but clearly only a limited range of problems can usefully be tackled in this way. In other cases, a specialist is expected (or even specifically recruited) to work on long-term problems. This also can have disadvantages: if it is still accepted that the general administrator, approaching problems from a political rather than a specialist viewpoint, has a leavening influence, this influence needs to be applied at an early stage in the formulation of long-term plans. Another device is the "planning committee" comprised of administrators who already have their full share of current work and are in no position to give time or energy to the planning function outside committee meetings; such committees tend to end by co-ordinating rather than by taking initiatives.

15. New training arrangements are being proposed which imply that administrators will spend much of their time actively identifying and investigating complex problems. It does not seem to be appreciated that special structural arrangements are needed to foster initiative and that a choice may have to be made between creativity and the conventional virtues of loyalty and predictability. Unless this difficulty is faced, the expectations created by new training arrangements are likely to lead more to disappointment and frustration among Civil Servants than to efficiency in the conduct of public business. It may be unrealistic to offer training in economics and managerial techniques to administrators who spend a quarter of their time servicing the Minister.

16. It would be more realistic (possibly through the analysis of case-studies) to try and clarify the policy role of the general administrator and to determine whether he functions mainly as a facilitator, expert in the mechanics of government, or whether his potential contribution to research and planning is sufficiently important to justify an attempt to overcome the very real difficulties. It then becomes possible to investigate the compatibility of this role with the others

assigned to him. (My own hypothesis is that it is unrealistic and uneconomic to expect administrators to switch to long-term thinking in the interstices of a career devoted mainly to the processing of government business—members of the administrative group will tend to be good at one or the other and would do better to specialise for a large part of their career.)

17. Any fragmentation of the existing career-structure, however, has implications for internal politics. The senior members of an established department constitute a social system which will be disturbed by changes in the allocation of prestige functions to a special group (including "irregulars"). Unless these are foreseen, stresses can develop which lead to hostility, defensiveness and inefficiency. Again, social science research can clarify these aspects of proposed changes.

Limitations and Potentialities of this Approach

18. This memorandum raises more questions than it answers. This is inevitable, since its purpose is to suggest that the problems of the Civil Service have many dimensions, some of which call for systematic investigation before a conclusion can usefully be reached. In a far from ideal world, the Committee will be expected to make firm recommendations on many of these questions. What is hoped is that they will not be too final and will not close the door to research that seems to be needed.

19. Some problems, particularly human problems, in the Civil Service can be reviewed against a background of considerable research on similar problems in other organisations. This does not mean that there are ready-made solutions. One of the lessons of research in this field is that each organisation has to be studied separately, using methods and concepts that have been found useful elsewhere. The Civil Service as a whole differs from other organisations in the scale of its operations, the personnel it employs, the jobs they have to do and the climate in which they work. There are also substantial differences, along these dimensions, between and within departments. Organisational theorists have explored many problems which are relevant to the efficient functioning of the public service. The need to make use of their work is implicit in the Heyworth Report on Social Studies (see Chapter VII and Recommendation XX). But it cannot be assumed, without special study of the Civil Service using social science techniques, that any particular hypothesis will prove useful.

20. Such investigations necessarily involve inconvenience in the short-term and the exploratory stages are likely to be particularly difficult. The final outcome, moreover, is bound to be disappointing on occasion. The Committee may nevertheless be able to persuade the public that this approach to the management problems of the Service should at least be attempted.

Recommendation

That the Treasury (or whichever department becomes responsible for Civil Service personnel and management) should, as a matter of policy, sponsor and encourage the use of social science research to analyse the problems of organisation, efficiency and morale in the Civil Service.

MEMORANDUM No. 119

submitted by

MR. J. W. P. CHIDELL

Principal, and others

September, 1967

1. This memorandum has been produced in consultation with a cross-section of Civil Servants from all grades and classes who share my desire that the Service shall play its full part in building the Britain of today and tomorrow.

2. It is hoped that while you rightly address yourselves to the technical and organisational aspects of your subject, you will also deal with such questions as motives and character. There are times when the obvious needs to be stated. This raises the issue of morale in its broadest sense. The Civil Servant needs the conviction that he has a worthwhile job which offers the fullest scope for brains, ambition and idealism. Secondly he needs to win and keep the confidence of the public. These two factors react upon one another.

3. The beam of publicity which increasingly focuses upon the Civil Servant today has enhanced the relevance of the principle laid down in 1928 by three distinguished servants of the State, repeated in many staff manuals but still needing to be kept in view. The Service, they said, "recognises that the State is entitled to demand that its servants shall not only be honest in fact, but beyond reach of the suspicion of dishonesty... It follows that there are spheres of activity legitimately open to the ordinary citizen in which the Civil Servant can play no part or only a limited part... The public expects from (him) a standard of integrity and conduct not only inflexible but fastidious... the public have a right to expect that standard and it is the duty of the Service to see that the expectation is fulfilled." (Cmd. 3037.)

4. While the State is not concerned with the private life of its servants, if we are going to feature in the daily press as the power behind the Minister, we must accept something of the same limitation of our own freedom that is part of the price paid by those who hold public office. Hence the Civil Service Commission will naturally be more concerned with character as a qualification for the public service, and the Treasury will look upon it as a highly important element in the training programmes. Here we have much to learn from the fighting services.

5. I start with financial integrity (the context of the enquiry that led to the pronouncements quoted in paragraph 3). Since 1928 the State's finger in the financial pie had so much thickened that Sampson could speak, in *The Anatomy of Britain*, of three new Ministries responsible for supervising the major nationalised industries which collectively in 1959 invested £760 millions, nearly as much as the £820 m spent by the whole of private manufacturing industry; of the Ministry of Works spending (presumably in 1961) £7 m a year in buying

furniture and another £2 m on carpets. The Minister of Technology is quoted in "The Director" for May 1967 as saying that his Ministry is "the largest giver of industrial patronage that Britain has ever known in peace-time".

6. In a society where standards of morality are being conspicuously eroded, the Civil Servant's reputation for integrity is unlikely to survive unless it rests upon a sound attitude towards moral values. The Service could find today an adequate and compelling motive if it looked upon itself as setting standards of morality for the nation; a not unreasonable thing to expect from men and women who by the nature of their work enjoy considerable responsibility without being exposed to the competitive strains of the world of business. This incidentally would invalidate Parkinson's Law.

7. We certainly need in the Service a strong infusion of the scientific outlook; but the arrogant belief that a superior I.Q. alone entitles the possessor to control the destiny of every last citizen can only lead to an ever-expanding bureaucracy and pave the way to the totalitarian state. There are great national resources still available in the infinite variety and independence of the British character. Part of the function of training should be to generate in the Administrator, along with the humility which is characteristic of the true scientist, the creative insight, the selflessness, and the enduring patience that are needed to exploit these resources.

8. A genuine friendly interest in people is needed in all Civil Servants and especially in those whose work involves close contact with members of the public, e.g. in M/Labour and M/Social Security. They meet people who need to be rehoused or require financial help; disabled workers; parents with difficult children; and employers at their wits' end to find experienced staff and skilled workers. This calls for patience and a firm desire to meet the needs of the people who consult them. Sound advice, given in a cheerful and friendly way at the counter, or in clear informal terms in a letter, can help to solve labour and social problems. In the higher grades of the Service a genuine care for, and willingness to meet people would go far to improve the relations between Ministries and the people they serve.

9. The relations between the central Government and other public services, between Departments, and within Departments, call for an over-riding motive which subordinates personal or sectional interests to the aim of giving the best possible service to the public. The Treasury proposal to fuse the Administrative and Executive grades will not alone repair our failure to draw out of our subordinate staff the full extent of the contribution which they can make. How many Clerical Officers do work in Whitehall which bears no relation to the capacities which they display in private life? We have much to learn from the world of business and from the fighting services in this aspect of training and of organising manpower. One important facet is two-way communication which involves Management in taking more trouble to get across to the ordinary worker what they are aiming to achieve. The gap between the Scientist and the Administrator will be bridged partly at school and especially university level if the two cultures of Science and the Humanities are suitably mingled; partly by training in the Service; but most of all if each side feels that it needs the help of the other and can sink its pride enough to admit it.

10. In the basic relationship of labour/management we have so far escaped in large measure the class war that for far too long obtained in industry. Some of the credit for this must go to the Whitley machinery. Those of my collaborators who have had most experience of using it find that the times when the rank and file Civil Servants have expressed strong discontentment with Management, both locally and nationally, have been when they feel they have been misled. These feelings are equally damaging whether they are justified or the result of that subtlety which my friends claim to find habitual in some administrative circles. Where each side trusts and respects the other and uses frankness, we have an instrument which can be more widely exported to Industry as our share of that field increases.

11. Training is most productive where it is regarded as the responsibility of management and good liaison is maintained between management and training branches; then training at the desk and away from it form a continuous pattern, and the knowledge of the contribution he is making to the final product increases the trainee's impetus to work. This applies particularly to the basic grades who otherwise have little opportunity to know the background of their work.

12. Adequate residential training, working through the syndicate system, is needed for management courses; more attention should be given to leadership; the fighting services have experts in this field and their aid should be more fully enlisted; the advice of men who have practical experience both of leadership and of training could be more helpful than the lectures of a psychologist which, however based on clinical experience, and sound scientific training, remain in some sense theoretical.

13. Newcomers need to be given some account of the history of the Civil Service, the presentation being adapted to the level of entry, and comparisons with the government services of other countries. There is a pressing need for a short and readable book which will put the Service in a new and clear perspective and refurbish our image in the eyes of the public. It will probably need to be something more colourful in presentation than will be appropriate to your own Report; but one of your Committee members might be stimulated by his contact with the Service over this work to write it; or Henry Fairlie might like to take it on as a gesture of atonement for the ill-omened day on which he coined that disastrous and loaded catchword "the Establishment". It could have a very salutary effect upon recruitment as well as reinforcing the morale of the present members of the Service.

14. The series of defections by Civil Servants from our free democratic environment to totalitarian regimes has made a deep dent in the complacency of the Service. I quote here the suggestion of a Government servant whose training was in Economics, who served in central and regional Government in Britain, and also as Adviser under the auspices of the United Nations in Malaysia and later in India. "The top Civil Servants urgently need ideological training. There should be a course of lectures, run in co-operation with the Security Services, on the ideological battle in the military, economic, industrial and political spheres, hammering home the basic point that a world equipped with nuclear weapons must either find a uniting ideology (which Communism is *Not*) or perish; and that this is the sphere in which Britain could again lead the world.

The emphasis would be on a positive alternative, on the necessity for an ideology of freedom universal enough to embrace the world."

15. The Diplomatic Service has much common ground with the rest of Whitehall. Moreover in increasing numbers Civil Servants have to go nowadays to represent their country at international conferences or negotiations from time to time without being whole time diplomats. There may have been a time when it could have been taken for granted that our small band of foreign envoys and colonial administrators automatically shared common loyalties and pride in their country's mission. There is an urgent need to formulate a concept of what Britain through the Commonwealth and through all her other multi-national associations can give the world today; a concept that goes beyond party politics and without which our representatives will not carry conviction and therefore will not be able adequately or effectively to serve their country.

16. A second aspect in which training may be helpful, though it is not just a matter of technique but a quality of caring, is in the art of making effective contact with the country in which we find ourselves serving: not only with its official representatives but with men and women in every walk of life, and contact on a human level that goes deeper than diplomatic formalities. We shall not find it possible unless we first acquire the art at home; a humanity that transcends the barriers of class, colour, creed, financial or social status.

17. To sum up: the Civil Service in the last hundred years since the Northcote-Trevelyan Report has produced administrators who have set a pattern for the world of dedicated and selfless service, of energetic and creative thinking, of integrity and incorruptibility. Some of us are proud of the part the Civil Service has played in the history of this country, and the world and anxious that the future shall be worthy of it. We trust that the Report of your Committee will prove a landmark in the attainment of that future. We expect that you will call for a new and more effective co-operation between the Civil Service and Industry: for the fullest application of the latest techniques of efficiency and the intelligent use of automation; for the greatest possible measure of benefit from modern methods of training. We hope that you will also call for a Service which will demonstrate the answer to the division between management and labour; the morale which secures new levels of productivity in file or in factory; standards for the conduct of public business which will encourage not only flexibility of mind but inflexibility of loyalty. Then the nation will be able to rely on a Civil Service which will help to bring to democracy a new vitality and to lead Britain into new paths of greatness.

A. V. M. NIGEL BLAIR-OLIPHANT, C.B., O.B.E., R.A.F.(Ret'd)
W. S. COCKBURN (C.O.)

MISS H. LINDLEY, B.Sc. (S. Exp. O.)

R. MARTIN (Senior Estate Officer)

MISS M. MCNEILL (E.O.)

MISS P. T. METCALFE, M.B.E. (C.E.O.)

MISS E. G. W. ROBERTS, M.B.E. (S.E.O.)

MISS J. A. TAPSFIELD, (C.E.O.)

MISS R. WILSON, (Deputy Manager Employment Exchange (Ret'd.))

J. W. P. CHIDELL (Principal)

MEMORANDUM No. 120

submitted by

PROFESSOR B. R. CRICK

Professor of Political Theory and Institutions

MR. W. THORNHILL

*Senior Lecturer in Political Theory and Institutions
University of Sheffield*

December, 1966

I. Introduction and Comments

There are three main periods in Civil Service development since 1870:

- (a) from 1870-1920—during which the Service was consolidated on the new basis and its characteristic features established;
- (b) from 1920-1945—throughout which the reclassification of 1920 gave prominence to another feature, i.e. selection processes related to the general educational structure of the country. This produced a class system which was reinforced by the rigidity resulting from very little class-to-class promotion;
- (c) the period since 1945, in which changes in the educational system and a prolonged period of full employment have strained the selective processes. Other factors have also arisen in this period, such as the greater confidence of the representative associations in voicing their members' demands and grievances on such matters as pay, conditions of service, political activities, and the general problems concerned with the organisation of government.

The Civil Service Commission

2. The Commission was originally established as an "independent body", charged with the duty of conducting tests of the fitness of applicants for posts in the various public departments. The aim was to destroy the old system of patronage, which was corrupt by the 1840s. Another aim was to ensure that those taken into the public service were really competent to do the work required.

3. The Civil Service Commission still remains, in theory, an independent body, but it is independent only of the individual departments. Its main concern is with the selection process—although in recent years it has carried out agency functions for other departments (e.g. the qualifying examinations for the district audit staff of the Ministry of Housing and Local Government) and also has devised examinations to test the merit-worthiness of Executive Class candidates

who are being nominated for promotion to the Administrative Class. However, the appointment of a candidate to a Civil Service post still remains the prerogative of the Minister of the Department in which he is to work and when the Civil Service Commission has arrived at its conclusions in respect of the candidates who take a particular competition its function is completed—it generally has nothing to do with the “employing” function.

4. In addition to the open competitions managed by the Civil Service Commission, there remains the process of “nomination” as a means of entry. Whilst this is the practice used for many grades in particular departments, such as postmen, it has been used on an increasing scale in the past two or three decades for the purpose of bringing into the upper reaches of the Civil Service, sometimes in the Administrative Class, sometimes into special departmental classes, but most frequently into the professional scientific and technical classes, people with special qualifications. This process of nomination is often used when the Treasury recruits economists and statisticians for short-period assignments, or in some cases as part of the regular establishment. It is also used for bringing in the “Catherwoods” and “Balogs” of the modern world. If it were to be accepted that a Minister should be able to surround himself by advisers of his own choice, as has recently been suggested by Peter Shore, then the device of nomination would be more important in the field of Civil Service recruitment. It would take us some way back to the pre-Northcote/Trevelyan period, and it would be necessary for this process to be watched with some care to prevent abuse.

5. There is another way in which we may look at the Civil Service Commission. If we ignore the niceties of the constitutional position, the Civil Service Commission can be seen as an offshoot of the Treasury, carrying out a common service process of dealing with selection. Yet it is arguable whether this process can be carried on in isolation from many other aspects of personnel management. Selection must be followed almost immediately by placement in a particular department. Presumably, therefore, in carrying out its selection processes, the Commission has regard to the ultimate destination of the candidates. It is possible that this should be more specifically recognised, and that the Civil Service Commission should become much more interested than it has hitherto been with those aspects of personnel management which follow the selective process both logically and chronologically. The most important of these other aspects is probably post-entry training and the testing of the merit-worthiness of candidates for promotion in certain spheres. The Commission already conducts examinations on behalf of departments for promotions in certain grades, and also participates in the membership of departmental promotion boards where candidates for promotion from another class into the Administrative Class are being considered, to ensure that there is some equality of standard as between those promoted and those directly recruited. The ways in which the Commission has thus been associated in the past few years with promotion procedures would seem to be a step in the right direction.

6. What is said in the following parts of this memorandum about problems of recruitment, post-entry training and promotion will, therefore, provide some arguments for a reconsideration of the constitutional position and function of the Civil Service Commission in our governmental system.

General Problems of Recruitment

7. One of the general principles of Northcote/Trevelyan report was that of entry by open competition, the competition to be somehow related to the nature of the work to be carried out by the class for which recruits were being sought. A century ago it seemed reasonable for the Civil Service Commission to establish its own competition and methods of attesting candidates' fitness for entry to the Service. But the reconstruction of the Civil Service in 1920 related the competitions for the main Treasury classes to the stages of output of the educational system: thus we had recruitment of the Administrative Class based on the standards of a University Degree, recruitment to the Executive Class related to the Higher School Certificate and recruitment to the Clerical Classes related to the School Certificate. It is important to remember that the possibilities of a university education were only expanded at the beginning of the 20th century by the creation of the Civic universities, whilst the creation of the School Certificate dates back only to the period immediately prior to 1914. So throughout the period from 1920 to 1939 the Civil Service Commission continued to run its own competitions parallel to the system of university degrees and School Certificates. This period might now be regarded as one of transition in which the Civil Service Commission was able to offer opportunities to people who for various reasons had not been able to obtain a University Degree or a School Certificate, as the case may be. But now we have come to a period, as a result of changes in our educational system, when very few people of ability are denied the opportunity to take university degree courses. Therefore the question arises as to whether it is any longer either necessary or desirable for the Civil Service Commission, alone among employers, to carry on with its own system of examinations on top of the established university system.

8. To some extent, the developments in methods of entry to all the three main classes of the Civil Service, in the period since about 1953, have shown that the Civil Service Commission has gradually accepted the point that a public certificate of attestation makes it less necessary for the Commission to provide its own examination. As a result, many methods of entry to the Clerical Class and the Executive Class now rely on the candidate's performance in G.C.E. examination. Similarly, there is a method of entry into the Executive Class which takes into account a candidate's possession of a University Degree. The possession of a University Degree is also required of a candidate for admission to the Administrative Class by Method II. A candidate with a first-class honours degree, moreover, is allowed certain exemptions from subjects in the Method I examination. But the question remains whether the Civil Service has gone far enough in this direction.

9. The progress of public education also raises another general question. Since 1920 there has been considerable progress towards the provision of specialised or vocational training of one kind or another. The selective processes of the Civil Service Commission have accorded little recognition to this trend. Up to now the search has been for candidates who could show some evidence of general ability. The question is how far it should be reoriented towards special ability. This question must be asked in respect of recruitment to both Administrative and Executive Class. More will be said about it below.

Administrative Class—Direct Entry

10. The prescription of a university standard of education for entry to the Administrative Class implies that the Commissioners are seeking quality of mind as evidenced by university education; the substance of that education does not appear to matter. As is well known, the majority of candidates admitted to the Administrative Class by direct entry methods have been Oxford graduates in Classics or in History.

11. If we go back to the reforms of the 1920s this situation was reasonably sensible because at that time there had been very little development of any university course with relevance to "special abilities". But the social sciences have grown very rapidly since 1945—as shown by the recent creation of a Social Science Research Council; but the Civil Service Commission would probably say that this development is irrelevant to its problem. So the question must arise as to whether or not the time has come for more credit to be given to university qualifications in the social sciences than to other degree subjects.

12. Admittedly, academic attainment is not and should not be the sole criterion of selection, but it could be argued that a candidate with a background in the social sciences (broadly conceived) is likely to be of more value to the public service, other things being equal, than a graduate in some other subjects such as Classics and Ancient and Medieval History.

13. We do not argue that entrance should be limited to those with some relevant pre-entry training of a technical nature. Most of the social sciences are themselves taught as a general education. But we think that there is need to redress factors working against the social sciences. We believe from our experience that the best graduates in the social sciences simply do not consider the Civil Service as a career, partly because there is a lingering but mistaken belief that the selection processes unduly favour graduates in Classics and History. This may produce a vicious circle: young people coming up to university with a Civil Service career in mind tend to remain in such subjects, as Classics and History, that they have studied at school, thinking them the appropriate method of entry, whereas they might do equally well in social science schools. And those who come up to do the social sciences, seeing the irrelevance of subject of study to entry, reach the conclusion that "being the right sort of person" is more important than relevance in the Service, indeed that the social scientist might be by training both too inquisitive and too independent.

14. There are quite other factors, of course, working against both a more representative and a more skilled recruitment. Some academically suitable students are either not attracted by the ideas of security, tenure, loyalty and long-term commitment associated with the public service, or are put off by the readily apparent old-school-tie atmosphere of Whitehall and Pall Mall. This is another kind of difficulty, but it is cumulative with the other. (At times one wonders if the only way to change the image of the Service is not to change the Service itself.)

15. Quite apart from any arguments about the substance of different university courses, it is now recognised that once selected an entrant needs some training

in the basic social sciences to turn him into a good public servant. The scheme which we outline later takes into account the fact that entrants with social-science degrees will probably need different kinds of post-entry training in the early years of their career than the non-social-science graduates. Whether this will be sufficient to improve the attractiveness of the Civil Service for social-science graduates remains to be seen.

Promotion

16. In the period since 1949 departmental promotion from the Executive to the Administrative Class has greatly increased over the inter-war period. The following table shows the proportion of the intake into the Administrative Class by various methods during the period from 1949.

Recruits to Administrative Class

	April 1949 to Sept. 1953		1954-1959		1960-1965	
	No.	%	No.	%	No.	%
Open Competitions (Asst. Principals)	224	50.1	227	49.8	306	42.6
Limited Competitions (Asst. Principals)	50	11.2	25	5.5	41	5.7
Direct Entry (Principals)	—	—	3	0.6	143	19.9
Promotion from Genl. or Dep. Ex. Class	141	31.5	190	41.7	186	25.9
Other Promotions and Transfers	32	7.2	11	2.4	43	5.9
	<u>447</u>	<u>100</u>	<u>456</u>	<u>100</u>	<u>719</u>	<u>100</u>

Sources: April, 1949-September 1953: R. K. Kelsall, *The Higher Civil Service in Britain*. 1954-1965: H.M. Treasury.

17. This table shows two things. Firstly, that the distinction between the Administrative and Executive Class is already breaking down. In the period 1960-65, the high rate of promotion had maintained itself, though admittedly only in absolute terms; it has declined relative to the total entry. But this decline has been due to the development of direct entry at the level of Principal and above. Thus the effect of any common entrance examination covering what are at the moment the two main classes and the effect of increased post-entry training in the present Executive Class, would almost certainly be to accelerate tendencies already afoot, not to introduce some novelty of unpredictable consequences.

18. Secondly, the figures on direct entry suggest a welcome increase in "horizontal mobility". We think that this is a net social benefit: if more people come in after previous experience *and* more people leave, the Civil Service will cease to be an isolated "order" and will become a much more integrated part of the whole communications-network of a modern industrial society. And if

publicity is given this, recruiting should benefit; the "Hull Study" put before the *Select Committee on Estimates* (ref.: Appendix 14, *6th Report of the Select Committee on Estimates* 1964-65) suggested that many of the more able in the younger generation are put off, not attracted, by the ethos of security, permanence and loyalty in the Service (despite so many distinguished defaulters from the top of late).

19. There are three processes by which an Executive Class official can be moved to the Administrative Class: one is by the limited competitions, the second and more important route is by departmental promotion and the third category is that of other transfer. The limited competitions have not made a significant contribution in the post-1949 period and the possibility of abolishing them should be considered. Departmental promotion is the most significant method and it is really upon this that attention must be concentrated.

20. The number of Administrative Class posts held by departmental promotion in the period since 1949 has been far in excess of the undertaking given by the Government in its White Paper on the Higher Civil Service at the end of the reconstruction period. This in itself is a sign that the old rigidities have largely been broken down and it is heartening to see in this increased reliance on departmental promotion. The only question is whether this has gone far enough.

II. Recommendations

Changes in Class Structure and Methods of Recruitment

21. We recommend that the present Administrative and Executive Classes should be merged. The new Combined Class should be recruited by a two-level system of entry for school leavers and graduates respectively, together with a significant proportion (probably of the order of 25-30% of the intake) of older entrants with experience in fields outside the Civil Service. The aim should be to gather sufficient recruits to provide personnel for (a) the top-level posts—the "administrative" cadre, (b) the middle and senior "management" posts, and (c) the large number of "executive" posts carrying a significant measure of responsibility and/or discretion. The personnel for these groups should come from a common pool, recruited as we have just explained, and selection for these higher posts should be by proven record and experience and not by method of entry to the Service. For this reason, we object to the idea of a "starred" intake put forward by the Treasury.¹ We feel that it will simply preserve the worst features of recruitment in the present systems: it is a "public relations" shuffle of names which will involve no real change. The new Combined Class, besides providing the largest possible pool of talent for the higher posts of the Service, would allow for more decentralisation from Whitehall and would enable more senior training to take place in the field away from London.

22. *School leavers* would normally enter in the immediate post-school years and at a younger age than graduates. The method of recruitment should follow the present G.C.E. competitions—though there might be a case for an annual written competition to give opportunity to persons who for one reason or another could not comply with the G.C.E. requirements.

¹ Memorandum No. 1.

23. *Graduate recruitment* should in future be confined to the Selection Board procedure (the present Method II). The available evidence suggests that the recent trend in Civil Service recruitment has been against the old type of high-level written examination (Method I). Apart from this, however, we think that this type of competition has both a deterrent effect on potentially good applicants (there are so many other rewarding occupations which attract them and which do not impose such an obstacle) and a class bias of its own.

24. *Older-age recruitment* has a useful function to play in that "horizontal mobility" of this kind can bring into the public service people with a wide range of ideas and experience from the outside world. This should be valued for its own sake and older-age recruitment used as a means for bringing in new blood and not, as has tended to be the case hitherto, simply as a means of rectifying the age-structure of the Service so that too many retirements do not take place at the same time. The Selection Board procedure is the most suitable method of selecting this type of recruit. (Indeed it could be argued that older-age withdrawal is also beneficial and would follow from increased recruitment. A somewhat greater velocity of circulation may be needed. It is not merely that with modern life-expectancy men can go stale on a job; there may also be net social gain in some able men leaving, not just a "loss to the Service". Certainly we suspect that the old "ethic of loyalty" to the Service, which discourages the "footloose applicant"—despite many senior examples of recent years—scares off many likely recruits from a generation who appear to value more and more occupational mobility.)

Post-entry Training

25. In a Combined Class providing the three levels of responsibility which we have defined in the previous section, there is a clear need for adequate post-entry training to ensure that all entrants, by whatever method of selection, get equal opportunities for promotion to the higher levels according to their abilities and experience. The experience of promotion from the Executive to the Administrative Class in the period from 1949 to 1965, which we have already quoted, supports the view that there is wide scope for career development within the Service. It is important that all school-leaver and graduate entrants should have equitable opportunities, for advancement to the higher ranks, and they should be aided in this by well-designed schemes of training. We need not dwell on the initial induction training in the work of their departments which all entrants should receive as a matter of course. A second stage of broader and more fundamental training should be provided reasonably early in an officer's career; this should cover two rather distinct fields. An officer needs training in the technical requirements of the particular task to which he is assigned. Beyond this, however, all should be given a systematic training to understand the system of government and the social and economic environment; we place great emphasis on this particular aspect of training, and it is at this stage where some adjustments will be necessary to take account of an officer's background. For instance, a social-science graduate should not need as full a course as a school-leaver or non-social-science graduate. An older-age entrant might require a more intensive course. The aim should be to give the officer training to enable him to develop, not so much his technique in doing a particular job, but his capacity as a public official. We think that it is in training of this kind that the Civil Service is weakest.

26. We do not think that we need dwell on the provision of special training courses to meet the particular *needs* of certain groups of officers, such as those for O & M and Operational Research activities. They have an important part to play and the need for them is already recognised.

27. There is, however, an argument for subjecting each officer to a regular periodic review of his capabilities and experience, not as an efficiency test but with the object of helping to determine his future development and promotion. After reviews of this kind an officer might be sent for management training and for refresher courses to enable him to develop his potentiality. The exact form of these reviews would need to be settled, but we think that there would be some advantage in using something akin to the Selection Board procedure on one or two occasions during an officer's career in order to supplement departmental records and assessments.

28. We also think it is important that members of the Professional Scientific and Technical Class should have some recognized route to the management and higher administrative posts. Our second stage of training would be a suitable point of entry for those members of the specialist groups who show interest in or aptitude for general administrative work. These categories of staff could well be given some training of this kind at an early stage in their career, even though there did not arise at the time the question of their transfer away from specialist posts. The important point is to give and preserve opportunities for the specialist personnel to move to the management and administrative grades on their merits.

29. One consequence of these recommendations is that the present division of responsibility for training between the Departments, the Treasury and the Centre for Administrative Studies would have to be drastically overhauled. At the moment, responsibilities in this field are diffused too much. The functions of recruitment, training, promotion and job-study are interrelated, and cannot be carried out efficiently when different agencies share in their performance. We suggest, therefore, that these aspects of personnel administration should be brought together in one agency outside the Treasury—probably a reformed and augmented Civil Service Commission. In this way it would be possible to develop a more vigorous and constructive system of post-entry training as an integral part of the career development of the officers of the service.

The Civil Service Commission

30. Our recommendations also imply a more extended role for the Civil Service Commission. At the moment, as we explained in the early part of this memorandum, the Commission's primary duty is to select recruits—but we think that in learning so much about the recruits there is a useful part that the Commission can play in an officer's career, particularly in advising as to his potentialities. This involves the work of the Civil Service Selection Board, and we have made numerous references to extending the Selection Board process to aspects of career assessment. The Selection Board has, by its follow-up procedures, ventured in a tentative sort of way into this field, but we would like to see the process expanded on the lines which we have indicated. In sum, both the Civil Service Commission and the Civil Service Selection Board should take a more active part in

post-entry assessment, and also be associated with the training schemes and the personnel management functions inside the Service,

The Profession of Government

31. In formulating the views contained in this memorandum, we have tried to keep in mind the idea of the development of the *professionalism* of the Civil Service. This will be helped by the provision of adequate training, but a little more is involved. There is no doubt that Civil Servants have grown used to the idea of belonging to the Service, even when they have come to it after a professional or specialist training. On the whole they are rightly proud of belonging to the Service, but while "the Service" is unique "the profession of government" has much in common with higher management in industry, the professions proper and the universities. A professional in one kind of job, however distinct, feels the need to exhibit his work to other members of his, as it were, "extended profession". One of the marks of professionalism is the ability to exhibit it to colleagues outside one's immediate job. One of the ways in which this can be done, and at the same time to remove the restrictions on individual initiative which some people associate with the Civil Service today, is to encourage and give scope to Civil Servants to pursue research and inquiries relating to work of the Civil Service. This might be achieved in a number of ways, by allowing time and facilities to an officer whilst remaining in his ordinary post, by part-time association with a research unit, or by full-time secondment for large-scale projects. It can only be beneficial to our system of government if Civil Servants are encouraged to make their own contribution to its evolution. There is plainly a need, if post-entry training is to be effective, and if links with industrial and university training personnel are to be established, for realistic case-studies to be produced of the working of administration. Probably the whole machinery would benefit from more openness in operation, both from within and without the Service. But this is not the place to argue this; here the relevance is only to recruitment and the possibility of more interchange between the Civil Service and other professions. Higher Civil Servants should at least have the freedom to publish in professional and academic journals enjoyed by Clerks of the House of Commons. There is no reason why they should not be seen to be making such a contribution and to participate with others outside the Service in doing so. But such progress will only be achieved if Civil Servants are allowed to escape from some of the trammels of Departmental secrecy and the strait-jacket of the Official Secrets Acts.

MEMORANDUM No. 121

submitted by

DR. T. L. COTTRELL

Principal and Vice-Chancellor, University of Stirling

April, 1967

'TECHNOLOGICAL ECONOMICS' AND THE CIVIL SERVICE

1. The object of this memorandum is to draw attention to the importance for the Civil Service of certain courses and research work in the field of "technological economics" at the University of Stirling.

2. In the First Report of the Academic Planning Board of the University it was stated: "Leadership in government and in industry is beginning to pass to those whose knowledge and skills are in the fields of technology and the social sciences, especially economics. Few such persons have had a formal education in a range of such disciplines, but there seems to be no reason why a whole range of studies need for administrative decision-taking should not be taught in a university in an integrated fashion. Stirling, with its opportunity for innovation and its four year honours degree is in a particularly favourable position to initiate such a course."

3. With the appointment of two professors jointly charged with developing the subject the University is now able to define more precisely the direction in which it proposes to develop the topic. It is not proposed to establish another school of business management. This need is catered for in existing management schools. The aim here is to meet the need of government and industry for men equipped in their early years with an appreciation of the criteria and methods of decision taking in technology and areas on which it impinges.

4. The aim of the Stirling honours course in technological economics is to produce graduates of two kinds with no sharp dividing line between them: (a) economists who know enough of a science and its industrial aspects to permit exchange of ideas with and joint work with industrial scientists, and (b) scientists oriented towards industrial work and appreciating industrial criteria. The intake to the course from the schools will be of two kinds, (i) those who have studied science subjects and (ii) those who have studied mathematics but no science. In their Part I the former will be taught a science, which can be chemistry, physics or biology, along with economics and mathematics; the second category will receive a basic science course specially designed to form a background to industrial science and technology. In Part II all students will continue their economics and an appropriate science but these will be strongly directed towards management economics and industrial science. Operational research, with which technological economics has great affinities, will be a feature

of the Part II course. The course is an honours one and would therefore give the holders of the degree the qualifications for selection to the Administrative and the Scientific Civil Service.

5. Additionally, there will start at the University in September 1967 the first M.Sc. course in technology and economics. This is designed for science graduates with 2 or 3 years industrial experience and will also be suitable for arts graduates with industrial experience in a science-based industry (including government laboratories and departments). The M.Sc. course will require 2 semesters (30 weeks) residence at Stirling for the teaching of operational research, industrial science and management economics. A research project, preferably suggested by the industrial or government department in which the student works, will be the subject of a thesis which must be presented for the award of the degree.

6. Research for the award of the Ph.D. degree in technological economics will as a matter of principle be conducted mainly outside the University; in industry or in a government department. The proposed field for research topics will be that of research and development. Examples of these are the allocation of science research resources between competing projects (which is close to the quantitative studies now being undertaken by the P.A.U. recently established jointly between the U.K.A.E.A. Harwell and the Ministry of Technology); the examination of the food processing industry in relation to the Highlands; the history and future developments of the market for computers. The Ph.D. degree being firmly based in industry or government does, we believe, combine a facility for research useful to the parent firm or department with minimum disruption of its manpower resources with satisfactory educational and career advancement prospects for the student. As such we believe it to be in line with one of the proposals in the Osmond working party report.

7. In conclusion we believe that (1) The newly established school of technological economics at the University of Stirling will produce graduates of suitable training and quality for admission to the scientific and administrative Civil Service. (2) The facilities offered for research for the M.Sc. and the Ph.D. degrees will meet the need outlined in the recent report of the Osmond working party¹ for facilities for further education of established Civil Servants.

¹ Memorandum No. 13.

MEMORANDUM No. 122

submitted by

SIR GEORGE DUNNETT, K.B.E., C.B.

Chairman of the Sugar Board, formerly Civil Servant (Treasury and M.A.F.)

July, 1967

I

Within the Service communications should not be and, I should say are not, hampered by the fact which is more prominent in industry and commerce, that information is valuable. In industry a man may ask you to lunch and towards the end say "Thank you for what you have told me: now is there something you want to know from me?". This is a symptom of the condition that in industry there is between firms competition in which knowledge not only of each others plans but of the common environment is one of the tools and competition between individuals (which, of course, is perhaps as keen in the Service as in industry) takes a similar form. In industry the test is results and the results a man can present depend in part on his information. Hence, it may be expected that there should be an obstacle to communication and a temptation for each section to seek its own channels of information: and there is some evidence that both of these occur.

2. In the Service, on the other hand, a man is not so easily judged by results but is judged more by style or method: and in so far as he is judged by results the sort of comment made is "So-and-so is a very good negotiator" or "So-and-so really does know his stuff". Information, that is to say, is no less valuable but the critical question about a man is rather the ability he has to use a common stock of information than his luck or shrewdness in acquiring information or sources of information not open to his rivals.

3. This, no doubt, is one of the results of the Minister being the only final spokesman for the Department so that the Department's information has always to be readily identifiable for him. It is relevant also that the Minister is answerable in public so that the Civil Servant has in the end no trade secrets to worry about.

4. This is a great source of strength to the Civil Servant. He knows, perhaps without realising it, that, with more or less trouble, he can obtain, has really a right or even duty to obtain, any information that may seem necessary or useful for his problems whether it is available in his own Department or another.

5. There are, of course, defects of communication in the Service. Such defects are one of the commonest gibes against it. But in fact communications in the

Service are very free and the defects that occur are the result of the scale and complexity of the States' functions.

6. This analysis makes the personal problems of the administrator rather than forms of Service organisation the focus of attention. Forms of organisation are important but it may be that at present the other aspect calls for more attention. The arguments about organisation have usually been met by demonstration of the flexibility of the Committee system, and while regrouping of Departmental structures is more or less continuously necessary, Departmental functions can never be so arranged that Committees will be unnecessary. The drafting that goes on in Committees is a fearful drain of time and energy but a great deal of both is what the job requires.

7. Incidentally, it is a mistake to judge inter-departmental Committee work by the Committee's Reports. These are likely to paper over the cracks and to appear to avoid the issues. But the superior Committee does not have only the inferior Committee's Report to go on: its members have also their own briefs. This again shows the importance of the personal quality of the Civil Servant, because in the last resort the Minister will be greatly and perhaps sometimes even decisively helped or let down by the intelligence and enterprise, or on the other hand complacent routine, of his Department.

II

8. Consideration of the personal qualities required in a good Civil Servant can best start with the job a man near the top should be expected to do: Under Secretary, Deputy Secretary or Permanent Secretary. One can distinguish for purposes of argument between, perhaps, three different types of achievement: the man who makes some reform, say Alexander Patterson, Frederick Phillip or, in an earlier time, Robert Morant—very different kinds of men but all men who created something which might not have been created, or might not have been so well or so soon created, without their personalities: or, secondly, the man who tidies things up or wants to see that what is done is coherent or reasonably based (so far as possible)—Arthur Street, Frank Lee and a host of others at all the three levels mentioned: or, thirdly, the man who is primarily an Establishment Officer concerned to make sure that the office is organised to do its job, the aspect of the Permanent Secretary's function which Warren Fisher stressed to the Tomlin Commission.

9. In real life there is a good deal of overlapping between these three types. The point of making the distinction is to suggest that in our society it is appropriate that the Service should be looking for the second and third types (which may not be very different) rather than the first. Like any other body of men the Service will throw up individuals of the first type but, unlike industry or other professions, the Service need not, and probably should not, look for them specially since for that function our society should generally be looking to politicians or others who can openly seek to mould and lead public opinion or their own businesses or professions.

10. At the same time the administrative Civil Servant wanted is not a business executive or office manager because our society is governed by consent and

persuasion and needs (to speak dogmatically) a body of men and women who can understand and interpret between Ministers in their executive capacity, on the one hand, and, on the other, both sides of industry and the professions. In the next twenty years, in the absence of major war, which we must assume (because we can), this function will call for much more flexibility of mind and attitude than most people have been able to get away with in the past.

11. Thus, the challenge to the Service is to produce men and women in their fifties who have a sympathetic and practical understanding of the way industries and professions work and are disposed towards continuous adaptation of social and industrial relations. People in their fifties are the crux of the matter. Some, of course, will continue to reach the top before their fifties but it is the people in their fifties (whether those who have been fliers or the rest) who will determine the character and effectiveness of the Service.

12. There is no reason to suppose that this kind of person is more likely to develop out of an arts graduate than a science graduate or someone with a technical diploma or someone who went from school into an industry or profession and took no degree. Probably some recruitment of people in their thirties is necessary. Even in their twenties many, perhaps most, men and women who have anything in them have hardly come to terms with themselves or learned to know themselves. At the same time if there is late recruitment it should be of people who have "missed their vocation" rather than those who have had relative failure elsewhere. Perhaps one should look specially at research scientists who have gone stale on research, as is said to happen. On the whole the graduate is more likely to have or acquire the attitude of a scholar or of one who derives satisfaction from understanding which is where very often the Civil Servant (and not only he) will have to go for satisfaction. But the class as a whole is likely to be more like what is wanted if it is composed of people who have come in quite large measure from other sources than arts graduates: because (to speak again dogmatically) there must and is likely to be an *esprit de corps* and the harmful results to be expected from this, such as arrogance, complacency and insensibility, will be less if the class is of markedly different origins.

13. It is not necessary here to discuss the practical problems of recruitment training and possible redundancy which this thesis may imply. My main concern is to suggest that the Commission should give some attention to the aspect of the problem here considered whether what I have put forward meets approval or disapproval and that for the encouragement and information of Civil Servants, as well as the public, the Report should say something about the ideas Administrative Civil Servants in the next twenty years or so should have about themselves.

MEMORANDUM No. 123

submitted by

DR. A. F. EARLE

Principal, London Graduate School of Business Studies

November, 1966

1. This memorandum is submitted in the capacity of an independent observer but is prompted by the experiences of the wide range of British business and governmental behaviour to which my role as Principal of the London Graduate School of Business Studies exposes me. That School is, of course, wholly concerned with management studies and this memorandum reflects a belief that the concepts and techniques of modern management studies can play a useful part in the Committee's consideration of the problems falling within its terms of reference. Paragraphs 2-10 are background notes while the remainder contain specific suggestions as to actions which might be taken in the light of the background analysis. The memorandum is almost wholly concerned with the management function of the Civil Service and only the last two paragraphs deal with the advisory function.

2. By "management" is meant the process of collecting and analysing data, making decisions and implementing those decisions through people so as to achieve intended objectives. The determination of objectives may be made by the manager, by other members of the organisation of which he is a part, or both.

3. Looked at in this way the objectives of management may be seen as falling into a hierarchy with the broadest and most important objectives of the organisations as a whole being determined by the responsible manager or group of managers. From these "organisational objectives" fixed by, say, the Cabinet in governmental terms or the Board of Directors in business terms, flow subsidiary objectives which serve to inform decision making at lower levels.

4. But it is important to realise that alongside this formal hierarchy of objectives exist sets of objectives peculiar to individual managers at all levels of the organisation. These may reflect personal goals of security or power, departmental expansionism, protection of incompetence. Such objectives are often subconscious factors in the management process but they are none the less significant. An organisational theory which neglects them has only limited relevance to the facts.

5. The chief distinction between business management and governmental management is that the former invariably includes profit-making as an organisational objective while the latter does not. In most other respects organisational and personal objectives in the two spheres are more remarkable for their similarities than their differences.

6. How then does one account for the gulf which exists between governmental and business management in structure, personnel, attitudes? I would suggest two main causes.

7. The one is touched upon by the caveat entered by the Prime Minister in announcing to Parliament the appointment of the Committee to the effect that there was no implication of intention to alter "the basic relationship between Ministers and Civil Servants. Civil Servants, however eminent, remain the confidential advisers of Ministers who alone are answerable to Parliament for policy; and we do not envisage any change in this fundamental feature of our parliamentary system of democracy." There is in this statement no direct conflict with the analysis of management suggested above. The establishment of objectives of such breadth as to be called policy is the task of the Ministers, and they are responsible for doing so to Parliament just as Directors are to shareholders for the exercise of similar responsibilities. But, in practice the *idea* of Ministerial responsibility is carried much further than the Prime Minister's statement would require. Ministers are thought to be responsible to Parliament not only for policy but for every detail of its execution. The carefully cultivated anonymity of Civil Servants, the nature of the institution of Parliamentary Questions, the insulation of the Civil Servants from Members of Parliament, attest to the fiction described, even though Ministerial resignations in expiation of a departmental error have become rare.

8. The other cause of difference between business and governmental management resides in the relative ease with which the former is able to adapt its personnel, forms and practices to the environment compared with the statutory and conventional shackles restraining the evolution of the latter.

9. The expansion of government's activities and a period of rapid change in all aspects of life accentuate the effects of these influences. The fiction that a Minister is responsible for every action in a vastly expanded department, and for every relationship it has with Parliament, the public and with other departments, diverts him from his proper task of establishing policy objectives. At the same time the rigidities of the Civil Service increasingly prevent Ministers and Permanent Secretaries alike from creating an organisation capable of doing so. I do not mean by this to suggest that I think the governmental structure is failing in its tasks at present. But I think it is showing signs of stress and that it is not reflecting that international pre-eminence which it once enjoyed and to which its wealth of intellectual talent still entitles it.

10. The reference to the intellectual talent of the Civil Service prompts a final reference in these background notes to one particular aspect of the changing environment which is of special importance to the Commission's enquiries. I refer to the changing patterns of education and career choices which determine the availability of men for recruitment to the Civil Service. I believe the Civil Service is getting a fair proportion of the best brains coming from our universities and perhaps more than is economically justifiable. The opportunity cost of taking one of the relatively stationary number of outstanding men is high. It means the loss of such men as seed corn in the universities on which an expansion of higher education relies or as managers in industry on which our

16. Ministries can be categorised in any number of ways but for my purposes I would suggest a classification of some of the more important departments as follows:

Category I. Ministries whose work involves management of the national economy and/or the influencing of management in industry and commerce.

Treasury.
Board of Trade.
Economic Affairs.
Technology.
Agriculture and Fisheries.
Foreign Office Trade Services.

Category II. Ministries whose work involves managerial techniques similar to those of industry and commerce.

Power.
Post Office.

Category III. Ministries whose spending is substantial and for whom cost effectiveness criteria are important, and whose spending powers can be used to influence industry and commerce.

Defence.
Aviation.
Housing.
Education.
Health.

Category IV. Ministries whose work is difficult to measure or of a social nature.

Foreign Office Diplomatic Services.
Overseas Development.
Home Office.
Commonwealth Relations.
Pensions.

The need for a knowledge of modern managerial techniques in Categories I to III is high. In Category IV it is less important.

17. Any person of good mind can by application acquire a reasonable mastery of management techniques in time. But it is far more efficient to teach these techniques to him at an early point in his career. The Economics and Mathematics courses given now to all Principals represent an important step forward in this respect, but it is insufficient. The programme needs broadening into behavioural sciences, accounting, operational research, production, marketing, finance. Above all it needs to be done in a context of wider management problems than those peculiar to the Civil Service. This is partly because the large number of Civil Servants who are expected to influence industrial management must understand business problems and methods and partly because it helps to induce that flexibility of mind and range of experience which otherwise requires a long time to develop in a Civil Service job.

economic survival depends. On the other hand, as university education expands more and more, men are coming forward of slightly lower gifts but of high potential value as Civil Service managers. Such men are unlikely to be willing to begin a career as second-class entrants. In short I feel the Commission has the task of devising means of improving performance while recruiting a lower proportion, if not lower absolute numbers, of first-class men in its management grades. This requires radical changes in the organisation, structure and methods of the Service.

11. I believe that it requires the amalgamation of the Administrative and Executive grades. I would favour calling the new combined grade the Managerial grade to avoid the psychological problems of carrying over one of the old titles, to recognise more accurately the nature of the work, and to provide an identification meaningful to the public. I would, at the same time, recommend a review of all personal titles aimed at eliminating many of the present anachronisms.

12. The movement of men within the Managerial grade should be regulated entirely by merit with considerable flexibility of ranks at entry and variation in speed of promotion. After five years of experience a man's academic qualifications should cease to be considered in promotion reviews.

13. It is my understanding that a considerably increased pattern of transfers between departments is now encouraged by the Treasury. I believe this should be continued and as much similarity of treatment in different departments as possible ensured by a central personnel management function.

14. The central personnel management function should be transferred to a considerably strengthened Civil Service Commission from the Treasury. I propose this for two reasons. I think the placing of both personnel and financial control in a single department represents the concentration of too much power to be compatible with the decentralised responsibility suggested by the departmental system. Secondly, I believe that the flexibility of recruiting and promotion which I am suggesting as necessary requires the fixing of responsibility for both in a single department. It is essential that there should be a high rate of feed-back between recruiting and subsequent personnel management to better inform both. Centralised personnel management should not, however, be allowed to become centralised disciplinary control which good management requires to be vested in direct supervision, i.e. in what in business is called "line management."

15. The principle of anonymity should be abandoned and, subject to the control of Ministers, the work and responsibilities of Civil Servants should be permitted to be publicised through the press, radio and television. I believe this would raise morale within the Service, attract recruits and engender greater identification between the public and Civil Servants. Such publicity should be limited to their managerial activities in pursuit of Ministerial policies and should exclude their advisory activities. I believe this would strengthen the public image of Ministers and aid in the communication of their policies.

18. Still more, if as I sincerely hope it is accepted that there should be more movement between industry and the Civil Service at all levels, the more similar the language, ideas and procedures, the easier such traffic will be.

19. I do not believe that any organisation in which security of tenure is a condition of employment can remain fully effective for very long. It is not only that any organisation, however good its recruiting, will produce a proportion of unsuitable people who ought in their own and the national interest be forced to redeploy. It is that the existence of groups of ineffective personnel has a depressing effect throughout an organisation and particularly on the younger and more thrusting men. In order to face up to this problem the Service must have a device for reaching severance decisions with demonstrable fairness and a generous severance pay and transferable pension scheme. The military services have gone a long way in developing arrangements to meet both points. It should be noted that the less removed Civil Service management is from the methods of industry and commerce, the easier redeployment for men displaced would be.

20. The Treasury should institute a continuous system of internal Management Audits. The auditors should assess the organisation by which departmental objectives are fixed, the adequacy of communications, the trends shown by the measurements of the productivity of Civil Servants in use. The audit, that is to say, should be concerned with managerial performance and would include sampling research on the speed and courtesy with which external relationships are handled. Such audit teams, which would provide invaluable training for men moving into senior positions, should address their reports to the Minister and Permanent Secretary of the departments examined, and they should be available to the Estimates and Public Accounts Committees.

21. A major effort should be made to improve the appearance and design of government offices and furniture. Scales of expenditure can be laid down, as for example by the University Grants Committee, but subject to these departments should have considerable freedom to develop a modern functional appearance, incorporating imaginative colour. Such environmental changes can have a very important uplifting effect on efficiency and public esteem at relatively minor cost.

22. As much advantage as possible should be taken of the availability of high level management programmes for mature business executives in the business schools and universities. Apart from the intrinsic usefulness to Civil Servants of the subject-matter, the mixing with managers from other spheres does a great deal to break down misunderstandings and distrust in key personnel on both sides. This is being done on a small scale at present with what I think are promising results, but a larger scale of activity should be undertaken.

23. I would recommend that a major enquiry should be conducted into the information systems of government as a whole. The Central Statistical Office is, I think, clearly too small to provide a genuine central service and too statistical to provide the management information which departments need

and more of which ought to be centralised. I believe that very great improvements in speed and economy are possible if an adequate centralised information system could be provided.

24. I have, thus far, dealt only with the managerial aspects of the Civil Service and not with its role in advising Ministers on policy. The deferral of consideration of the latter is deliberate. I believe that good high-level decisions can flow only from efficiently-managed organisations. Good decisions require good information as well as good analysis and judgment. A knowledge of the capacity and a confidence in the powers of the organisation helps reduce the need for caution in assessing possible courses of action.

25. Inter-departmental committees play an important part in forming policy recommendations to Ministers in a large range of complex issues where agreement can be reached short of Cabinet resolution. Little is known about the effectiveness of such committees as decision-making bodies which in effect they are. One must suspect that skill in advocacy, possession of the arts of "committeemanship," stubbornness in maintaining a departmental view, compromise, play a part in making such decisions different from what they would be if made by the departments themselves or even by some independent arbiter. I do not think there is any easy answer to this problem in government, or in business, but until one appears the operation and efficiency of committees should be studied by the organisational psychologists who specialise in such matters and who can provide trained observations of their performance patterns.

MEMORANDUM No. 124

submitted by

A GROUP OF MEMBERS OF THE ECONOMIC PLANNING STAFF OF THE MINISTRY OF OVERSEAS DEVELOPMENT

January, 1967

Introduction

1. This evidence is presented on the assumption that among the questions with which the Committee will be concerned is the greater integration of professional expertise, especially in the social sciences, into the process of policy-making, and the problem thus posed for Civil Service structure on the one hand and for the professional experts on the other. The evidence represents conclusions of the economists who were members of the Economic Planning Staff of the Ministry of Overseas Development in the middle of 1966. These economists decided to give evidence collectively because they felt they had been associated with an organisation whose experience deserved examination: the document has been discussed with all members down to the level of Economic Adviser and Statistician and revised in the light of discussion. After the first revision it was not discussed again with the whole staff but was further revised by the senior staff: it is now submitted on the authority of Mr. R. L. Marris who acted as rapporteur.

2. The Economic Planning Staff was founded at the same time as the Ministry itself in November, 1964. The first Minister, Mrs. Castle, and the first Permanent Secretary, Sir Andrew Cohen, were closely associated with its introduction and clearly expected new ideas and new techniques from it. It was the Minister's intention that the Ministry, as its name indicated, should be a Ministry of *development* rather than only of *aid*, and its agreed responsibilities included relations with all United Nations bodies mainly concerned with development, with all the multilateral aid agencies except the I.B.R.D. and with other bilateral donors. It was also her intention that the Ministry should take a major responsibility for matters of general concern to overseas development such as commodity policy, international monetary reform and commercial policy in general. For these reasons she required that the role of the Planning Staff should be more than advisory and that it should take a leading role in policy planning on a wide front: it was agreed that the Director General could minute the Minister directly, and that the Planning Staff could if necessary present alternative views to those coming up through traditional channels (although in practice this has rarely happened). The Minister also instructed that on any papers reaching her on country-aid proposals it should be clearly indicated whether the proposal had received planning-staff support. Because of the deeply economic nature of practically every aspect of the Ministry's work, it was in due course generally accepted that the O.D.M. economists' role was more than advisory.

3. Both the schedule of responsibilities and the scale of the establishment represent something of an innovation in Britain and have from time to time attracted comment. Although, when related to the financial scale of operations, the number of professionally-qualified economists was to remain small in comparison to the corresponding numbers in the I.B.R.D. or the U.S. administration, it was large in comparison to other corresponding Whitehall establishments or to aid-giving Ministries on the Continent. Similarly, although the schedule of responsibilities seems modest by some criteria, operational responsibilities of this kind did not at that time exist elsewhere in Whitehall. Similar arrangements have subsequently been established in other Ministries but, with the possible exception of the D.E.A., the arrangements in the O.D.M. are now the longest standing of their type. Our evidence is mainly concerned with the problems which need to be considered if arrangements of this kind are to make their maximum contribution.

4. The discussion which follows is based largely on the organisation which eventually emerged. In practice, a considerable part of the time and energy of the senior staff, and particularly of the Director General, in the first eighteen months was concerned with recruitment and administrative development. During this period makeshift arrangements were essential and it was necessary to use flexibly the staff who had been recruited. This tended to slow up specialisation and certainly slowed up the progress of background work, especially on such fundamental questions as the principles on which aid should be distributed. In this situation, the economists felt handicapped by the lack of a traditional administrative structure. It is worth pointing out, in this connection, that the new economic organisations in Whitehall have inevitably had a common experience; they were faced with the problem of combining administration development and professional activity under particularly testing circumstances, i.e. precisely those circumstances which made the greatest demands on the individual's personal talent for administration.

Brief history

5. The Ministry of Overseas Development was set up to administer the U.K.'s programme of bilateral capital aid and technical assistance, to take over responsibility for the U.K.'s relations with other national and international bodies concerned with aid and development, and to be concerned with development policy generally. It adopted for the purpose a mixture of geographical and functional administration. Certain aspects of technical assistance and development policy, for example agriculture and natural resources, education and medicine, had functional departments, but overall responsibility for both capital aid and technical assistance to individual countries was placed in the hands of area departments, headed by Assistant Secretaries reporting through three Under Secretaries. In addition, an International Division, headed by an Under Secretary, took administrative responsibility for non-geographical and non-functional general policy questions, such as co-ordination of the aid programme as a whole, the terms of aid, relations with United Nations bodies for which the Ministry had taken responsibility, relations with other donors, multilateral aid and other international questions.

6. With one major exception, the functions and structure of the Economic Planning Staff appeared both to parallel, and in some senses, compete with the above-described administrative structure. For example, the functions of the E.P.S. and the International Division taken as a whole, were the functions described in the U.S. A.I.D. as "policy planning", and combined into one Division under an economist reporting directly to the Administrator. The salaries of the Director General and his Deputy straddled the Deputy Secretary's, and the Director General had the right of minuting the Minister directly, although in practice, of course, collaborating closely with the Permanent Secretary. A Geographical Division, headed by a Director, consisting of economists recruited for their special knowledge and experience of particular developing areas, was organised along the same geographical lines as the corresponding administrative departments; a World Economy Division, headed by another Director, was set up to deal with the economic aspects of general policy.

7. The "geographical" economists adopted a double reporting system: from day-to-day they reported through the administrative area departments (and were in many cases physically located in these departments); they minuted on area departments' files, and maintained no Registry of their own; but the arrangements were such that they preserved their identity as professional economists. Double reporting was not adopted in the case of the World Economy Division, which maintained a separate Registry. The detailed division of responsibilities between these divisions and the rest of the Ministry has already been described in material submitted to the Committee by Sir Andrew Cohen.

8. The Statistics Division has no parallel department. It unifies all statistical services and functions and is headed by a Director who reports only to the Director General of the E.P.S., although departments of the Ministry are, of course, entitled to approach the Director of Statistics directly with requests for services.

9. The establishment (excluding clerical and secretarial) consisted at the outset of five economists of the rank of Director and above (including the Director of Statistics), four Senior Economic advisers, six Economic Advisers, four Economic Assistants, one Chief Statistician, three Statisticians and two Assistant Statisticians plus about sixteen other members of the executive class (of whom the great majority were in the Statistics Division). Thus the total graduate staff was twenty-five (not thirty as has sometimes been quoted). It was subsequently felt that the original establishment showed a lack of balance between Economic Assistants and Economic Advisers, but this has been at least partially remedied by the creation of three more posts at the Assistant level. An additional post at the Economic Adviser level has also been created.

10. It took about twelve months to fill the establishment. All but one of the economists were recruited from outside Government service, and a great majority of the economists and statisticians above the Assistant level came from overseas. In fact a point was made of requiring geographical economists to have some previous experience of actual service in the areas to which they were to be assigned. Contracts offered and accepted varied in length, with a mode of two years; only one person was offered and accepted establishment. With a few exceptions, the

economists recruited had a special interest in and experience of development problems, and many joined because of the opportunity to continue in this field. Resignations have numbered two or three a year, resigning staff characteristically returning to development work.

11. About four months after the Ministry was formed, a weekend conference was held at Lord Faringdon's house (known as the "Buscot Conference"), designed for an interchange of views on general and particular aspects of aid policy between senior administrators, senior economic advisers and the Ministry's two Ministers. Invitations were also accepted by officials and Ministers from other Departments. The proceedings were conducted entirely informally, on the basis of short background papers produced by the Economic Planning Staff, and the Minister herself played a lively and leading role throughout the discussions. Aid tying, project aid versus general purpose aid, the assessment of aid needs, the balance between political and economic considerations, and the distribution of aid between different types of countries were among the many items on the Agenda. The Conference helped the subsequent work of the Ministry by providing a *tour d'horizon* of the Ministry's field of work. It also provided the participants with the opportunity to get to know each other, though in doing so it revealed fairly clearly the differing outlook of each group. To some extent these differences were substantial. They were often associated with political attitudes and not of a kind which can easily be resolved by discussion, and many have persisted.

12. The foregoing is sufficient to underline the novel character of this organisation in the Whitehall scene. Its purpose, as already indicated, was to integrate economic and statistical analysis into all aspects of aid and development policy, and to provide a technical service for aid-administration and management overseas. It was intended that this integration would occur at all levels, ranging upward from the evaluation of a particular project for which aid had been requested, through the evaluation of the development programme of a country, to questions as broad as the relation between aid and commercial policy and the size and structure of the aid programme as a whole.

13. Although it was recognised from the outset that the arrangements would involve adjustments on all sides, and in particular a delicate relationship between the E.P.S. Directorate on the one hand, and the Permanent Secretary and his Deputy on the other, it is possible that neither the Administrative side nor the economists had fully understood or appreciated each other's contributions and expectations. The economists undoubtedly expected that they would take the lead in all matters of which the essential content was economic, while the administrative side expected that the role of the economists would remain advisory even on matters of which the essential content was economic. In effect two alternative organisations existed, each attempting to do the same job in different ways. This sometimes led to duplication of effort and to tension which, however, had the offsetting advantage of introducing competitive dynamism. The difficulties were progressively overcome and the role of the economist became increasingly explicit, especially as personal relations became closer. The arrangements which were developed ensured that "economic" and "administrative" sides of the machine were closely connected and that neither became isolated from

the other. For the same reason the problem of working relations required careful and continuous attention.

14. The size of the organisation in relation to the departmental expenditure had attracted comment, and it has sometimes been suggested that it was out of scale especially in view of the current shortage of professionally qualified people. It was our experience, however, that a number of professionals working together can produce considerably more than the sum of the output of each in isolation. The deep economic content of the Ministry's work applies not only to the administration of financial aid but also to "functional" aspects such as policy towards technical assistance and population control (which latter for example, has traditionally been regarded as a "medical" matter). Isolated individual Economic Advisers, fitted into the existing machine and operating at well-defined levels, can be useful and effective in specific fields. But where the operations of a whole Ministry are involved, it appears essential for the professionals to be concentrated in a well-defined organisation and that there is a minimum size for the effectiveness of such organisations. A reasonable size is essential to obtain the economies of scale from mutual support, specialisation and delegation, and the development of a common approach. This need is enhanced wherever policy is predominantly formed in large numbers of committees and where its execution is intimately involved with permanent and temporary overseas representation. It was our experience that the intrinsic quality of an argument was often less important to its success than the actual presence of economists on committees and delegations. It follows that it is not necessarily efficient to disperse professionally qualified social scientists in the Government Service simply in proportion to departmental expenditure (or other criteria). Rather, suitably structured organisations should be formed in turn according to priorities decided by Ministers, taking account of the content of each department's work.

15. Inevitably, the larger and more integrated the professional organisation, the greater the problems involved in relation to traditional administrative structures. Consequently many of the unresolved issues involve the nature and structure of the Civil Service as a whole, a subject on which the Committee will no doubt be receiving ample evidence. The present evidence is mainly concerned with prescription for a situation in which there is increasing use of professional organisations such as the E.P.S. of the O.D.M. at the high levels of policy-making. The problems which in our experience arose most predominantly can be classified under five headings, namely:

- (i) internal organisation, co-ordination and morale;
- (ii) relations with administrative opposite numbers;
- (iii) salaries;
- (iv) use and abuse of statistical services; and
- (v) the balance between service at the centre and service in the field.

(i) Internal organisation, co-ordination and morale

16. In a conventional administrative hierarchy, the personal involvement of junior "line" staff is maintained by daily contact between the junior administrator and his immediate superior and by receiving well-defined tasks. He is

kept informed by a well-established system for circulating papers. Organisations of professional experts are notorious for finding greater difficulty in maintaining involvement. Lines of responsibility are necessarily more loosely structured; the more fluid nature of the subject-matter makes it more difficult to arrange a systematic storage or circulation of papers; and variations in technical experience put barriers in the way of delegation. In Britain, these difficulties may be increased by the general tendency of first degrees to put more emphasis on knowledge which is needed for higher responsibilities and less on technical training which would make the junior more immediately useful to his superiors. In consequence, with the best will in the world, juniors are often inadequately supervised, and are ignorant of the work being done by other professional staff.

17. In the hope of alleviating these difficulties we adopted the practice of holding weekly meetings of all the senior staff, at which such matters as recruitment, major and minor policy matters and the work of the various divisions was fully discussed. These were complemented by frequent meetings of the staff of each Division.

18. It was also the practice to hold, once every two months or so, meetings of the whole staff to review the work programme, and more frequent meetings either to discuss a particular topic or to hear a distinguished visitor. Discussions on particular topics were usually based on papers by individual members of the staff who had been working on the subject.

19. We also attempted to introduce some variety. Every adviser in the Geographical Division was allocated subjects such as "agricultural output", "population policy", "tourism", etc., on which they were expected to keep themselves informed; those working in the World Economy Division on the other hand were given certain country responsibilities. All members were sent from time to time on overseas missions concerned with topics in which the individual was thought to be competent, even if the field was not on his main schedule of responsibilities. These arrangements put a considerable extra strain on the time and effort of the senior staff and reduced the simplicity of organisation. Nevertheless they were found to be extremely valuable and appeared to have achieved some success. We strongly recommend that professional organisations accept from the outset that this problem exists and persist in attempts to solve it.

20. The practice of holding "internal" meetings, not based on a formal committee or working-party structure, to discuss matters of policy, is hardly known in the Administrative Class and it is important to avoid giving the impression of failing to take account of the need for general consultation at all stages. This was met by frequently inviting administrative opposite numbers to attend.

(ii) Relations with administrative opposite numbers

21. It could hardly have been expected that the introduction of what was by British standards an unusually large organisation of mostly temporary professionals into a strategic policy centre could be achieved without running into some difficulties. That these were less serious than might have been feared is explained not only by the conscious effort of the Permanent Secretary and

Director General to avoid sources of friction, but also by the considerable patience of the Administrative side at all levels.

22. On the geographical side, the economists were in many but not all cases junior to the administrative departmental heads. Their advice was readily asked and accepted within this structure and early recognised as essential. Integration of economists within the Geographical Departments has indeed proceeded to a stage at which there appears to be some danger of their being swamped with a large amount of day-to-day work which makes difficult, if not impossible, the carrying out of studies in depth. Another danger is that economists may lose their identity as professional staff and simply become absorbed in the administrative machine. In part these problems have arisen as a result of shortages of staff and from the fact that at any one time one or more members of the Geographical Division are overseas, thus throwing a heavy burden on those that remain.

23. Despite the foregoing, the position on the geographical side raised more basic problems. The more junior economists found that although their relations with the administrative side of the Ministry were never less than cordial, economists were sometimes consulted too late for economic advice to have much effect on the outcome of a decision—though this was usually due to reasons outside the administrator's control. Questions come to the administrative side first, and the decision on whether or not to consult the economists was not in every case comprehensible. The fact that these difficulties persisted over a long period suggests that they may be inherent in the situation rather than transitory.

24. Outside the geographical work, the economists were even less satisfied with a partly subordinate role, especially in the field of major policy questions which concerned relations with other Departments and other Governments. Here relations were less easy.

25. The problems arose basically from the difficulty of separating economic from political considerations (which is especially acute in the development field) and from the administrators' surprise that the economists believed they had a legitimate interest and competence on the political side. This underlying contradiction produced two symptoms, on the one hand a feeling by the administrative side that the economists did not fully understand the procedure of consultation and collaboration with the administrative machine, and on the other, in complaints by the economists that they in turn were not adequately consulted, and more particularly were not brought in on decisions at a sufficiently early stage. Alternatively, they felt they were often consulted within too narrow a framework.

26. The economists also found senior Administrative Class officials sometimes attempted to impose strong intuitive opinions on decisions and judgements of which the essential content was economic, and often where economic science would indicate that the answers were difficult and complex.

27. A particular difficulty was experienced in the relations between economists and administrators over the manning of delegations, especially to important international meetings. The material at many of these meetings has now become highly technical, at the same time remaining full of major political content. The

qualifications required for representing the Government at such meetings has become a complex blend of economic expertise, political understanding and diplomacy. The senior members of the Planning Staff felt that in many cases they were on balance better qualified than the administrative Under Secretaries and Assistant Secretaries who had been given formal administrative responsibility for relations with these international organisations and for dealing with other overseas departments. They were therefore not sympathetic to joining such delegations in a subordinate or advisory capacity, especially when the leader was junior in rank. On the other hand, proposals to make economists leaders of delegations produced on one or two occasions such violent reactions from administrators (including even a refusal to serve) that it was not easy to arrange satisfactory compromises. Nevertheless, on the occasions when senior economists were able to represent the Government at international meetings where the technical content of the discussions was high, they felt that they had in fact been able to contribute to the nation's external "image". By contrast, there have been occasions, especially in United Nations committees, where the inability of our traditional diplomatic representation to "cope" has, in our view, harmed the national interest. In practice, it is not possible to solve all these problems by the system of briefing.

28. Finally the economists were not in fact given systematic instruction in Whitehall procedures and, when they were consulted, the intellectual styles adopted by the two sides were so different that the discussions were less fruitful than might have been hoped. Within the Ministry, increasing interaction over a period of time considerably reduced this problem. But difficulties continued to be experienced in inter-departmental fora where some Departments were represented by economists and others by administrators; it was often found easier to reconcile departmental interests in fora where either all were represented by economists or all by administrators. Moreover, economists often spend too short a period in Whitehall to become fully absorbed.

29. Experience therefore leads us to certain tentative conclusions, which we feel would be applicable wherever it is expected that professional experts will take major responsibility in the formulation and execution of policy, both at a high level and in day to day decisions.

- (a) There should be a clear demarcation of responsibilities between the professional and administrative organisations, subject of course to subsequent adjustment as events unfold. Such negotiations would inevitably involve some degree of give and take, but the fact that a major topic has a political as well as economic content should by no means necessarily imply that the demarcation could only go in one direction. The demarcation should be decided on the merits of the individual case with the clear understanding by both sides of what is implied. The fact that such negotiations may bring into the open conflicts over power which might otherwise have remained submerged should not necessarily be a reason for avoiding them. The cost in public expenditure, and the time and nerves of all concerned when duplication and rivalry result from inadequate demarcation, must be set against the cost in embarrassment.

- (b) Demarcation does not, of course, imply that consultation and advice across lines of demarcation will not continue in the ordinary way. But where professional experts who are "amateurs" in administration are given leading responsibility, they must also be told that they will be expected to follow accepted administrative procedures—of course, with any modifications which, after negotiation, are agreed to be appropriate. In the same way that economists can be assigned to provide technical support for an administrative department, it is more than desirable that experienced Administrative Class officers be assigned to work in the economic organisation to provide liaison, advice and support. The economic organisation needs a properly established registry to hold the files relating to topics for which they have been assigned leading responsibility, and every attempt should be made to avoid a dual filing system in which the "economic aspects" of the topic are registered on one file and the "administrative aspects" on another. It will often be found that unresolved questions of demarcation are clarified by agreement on the filing.
- (c) It would seem that a solution to the problem of representation must lie along the lines of apportioning to professionals the actual leading administrative responsibility for policy in international Committees where economics are essential to the business.
- (d) Economists, especially those on longer-term contracts or established, could take much more responsibility for initiating and implementing policy decisions.

(iii) Salaries

30. When the Planning Staff was set up, salaries and designations of posts were often different from those of the Administrative Class. Account had to be taken of special elements such as the cost of attracting staff from international organisations. A number of senior staff accepted fixed salaries which were not to be subject to negotiation within the contract period despite the anticipated general increase in First Division salaries. At the middle and junior levels, a variety of arrangements were made, but it was generally possible, although not always without difficulty, to fit individuals into the grade structure of the government economic service.

31. The experience of these arrangements threw up two problems whose solutions could be conflicting. The first is that a "disturbance" element in the salaries or short term contracts is clearly inevitable. The second arises from the practice of evaluating the status of uncertain or unusual hierarchical designations by reference to the salary. It is an open question whether the practice of setting the salaries and implicit status of professional experts between those of established Administrative Class ranks is desirable; in an ideal system, the status of temporary professionals should reflect their responsibilities, which in turn should be based on the scope of the relevant policy field. If, however, the practice is continued, certain ambiguities need clearing up. It should be made clear, for example, whether the excess of an expert's salary over the top of the scale of the next highest administrative grade is intended to represent only "disturbance", only seniority, or both.

32. Apart from these questions, there remains a fundamental one, whether a salary structure based on the needs of the Administrative Class as at present conceived can be adapted to the needs of professional classes, especially if recruited from universities where the structure is different. For example, it may be found that a relatively smooth progression from economic assistants to economic advisers, which might seem professionally desirable, prejudices maintenance of the existing structure for Assistant Principals (this, of course, begs the question of whether the salary structure for the whole Civil Service would remain appropriate if the Service itself were to become more mobile). One further generalisation relates to the nature of qualifications. In administrative life, qualifications are unspecific and an important one is experience. In these circumstances, it is not wholly unreasonable to regard age as a rough measure of qualification, and this may have the advantage (if it is an advantage) of reducing competitive tensions. In professional life, a man's qualifications are his original training combined with his experience and ability. If an able person can obtain the requisite combination of training and experience by a young age, there is no apparent reason why he should not be appropriately paid or promoted. This case has been argued forcefully by some of the younger statisticians, but one or two of the economists would accept that there is an element of maturity required of an economic adviser for which age is something of an indicator.

(iv) Use and abuse of statistical services

33. The Statistics Division had its origin in the Statistical Services Department of the Department of Technical Co-operation. At the formation of the Ministry the old Statistical Department was enlarged, taken into the E.P.S., and converted into a Division. The scope of its work was expanded to provide both a general statistical service for the Ministry, and more help to statistical offices abroad. The main effect of the new recruitment was to considerably increase the proportion of graduate staff who are qualified both in economics and in statistics. Responsibility for the analysis of data relating to the aid programme for policy purposes (including forecasts of disbursements) remained, however, with the Aid Co-ordination Department, but increasingly the economic statisticians were brought into the work of general forecasting and analysis especially in connection with the work of the Development Assistance Committee of the O.E.C.D.

34. It was found that in many ways there was greater difficulty in obtaining acceptance and appreciation of the potential role of the economic statisticians in policy formation than in the case of straight economists. On the one hand, the administrative side was more inclined to an earlier and more passive view of this role, and on the other the statisticians felt that written analysis and presentation of statistical material by the administrative side tended to be not only amateur, but often rather ineffective. Consequently, the quality of the statistical material presented by the O.D.M., particularly in inter-departmental fora, suffered from the belief of administrators that they could do better than the professionals, and we felt in particular that the statistical analysis and planning of the aid programme as a whole could have been very much more effective if a professional analytical approach had been encouraged. More generally, there was an almost complete inability to understand the contribution of modern methods of statistical analysis to policy problems. This is as much a cultural and educational problem as an

organisational one: in the United States and other countries it is being faced by insisting on a basic training in the elements of statistics for the majority of graduate entrants into government and business.

35. Our experience also raised immediately the question of the desirability of continuing the separation of the Statistician Class. In the Ministry of Overseas Development, and doubtless in other Ministries too, the work of statisticians and economists frequently overlap. Much of the professional work of the Statistics Division centres round economic statistics, and requires a knowledge of economics. In the fast-growing field of econometrics—a blend of mathematics, economics and statistics—a knowledge of all three subjects is required. It is frequently, but admittedly not always, the case that economists have a knowledge of statistics, and statisticians of economics. It has therefore been argued that, instead of having two separate classes of statistician and economist, to have one combined class of economist-statistician. The advantage of this to the statistician class would be that their careers were less circumscribed. There are however considerable counter arguments to these views, and a further discussion, prepared by a group of statisticians within the Ministry, is given in an appendix. This appendix also covers additional ground, and represents, in effect, a view of statistical problems on a wide front.

36. Other questions which our experience threw up were: (i) the formation of a cadre of statistical officers, (ii) more frequent interchange between Government and non-Government work, (iii) the need for closer ties with statistical offices abroad.

37. Statistical work, at the high executive levels, such as H.E.O. and S.E.O., tends to be specialised. If H.E.O.s and S.E.O.s were acquainted with the fundamentals of statistics, the professional staff would be able to concentrate more on tasks requiring graduate professional skills. A corollary of this idea would be the formation of a special cadre of statistical officers for H.E.O.s and above. An H.E.O., or potential H.E.O., before being sent on a specialised course, would have to elect if he wished to make his career in the statistical field. Once he had so elected, his promotion and career would be restricted to the special cadre of statistical posts. Without such a special cadre, it would be wasteful to send H.E.O.s or potential H.E.O.s on specialised courses—only to be posted shortly afterwards to a Ministry where they would never use the knowledge acquired. The arrangements would need to be such that career prospects were adequate: at present, it is often the case that if an Executive Officer proves successful in the statistical field, he is taken out of the field on promotion because it is argued that otherwise promotion would be impossible.

38. The advantages of interchange between Government professional services and universities and other outside institutions are often stated but less often taken. The gains in morale and professional ability would appear to be particularly strong in the statistical field. In practice, the difficulties on both sides (and especially the difficulties in gaining acceptance in the universities) are considerable. Consequently a solution would seem to require a well-defined scheme rather than reliance on *ad hoc* arrangements.

39. In statistics divisions dealing with overseas countries, the value of personal contacts and visits cannot be over-estimated and almost certainly repay their cost in terms of training. In present conditions, it is relatively easy to finance visits which have some well-defined purpose, but not so easy to justify use of the taxpayer's money on training and orientation visits. This question, in our view, deserves further consideration.

(v) Service at home versus service overseas

40. This is a special problem of concern to economists working not only in the field of overseas development but also in any overseas department. It was, however, specially acute in our case because it is becoming clear that the effectiveness of economic advice on some aspects of overseas development questions would be greatly enhanced if it could be provided at an early stage in the decision making process. At present it often happens that proposals for the use of aid funds reach a fairly advanced stage before the economists in the Ministry are able to examine them. By this time it may be exceedingly difficult to reject them out of hand, if they are unsuitable, or to improve them significantly. There is a need, therefore, for a great deal more economic analysis in the field, while aid proposals are still in a formative stage. It had been hoped that this service could be provided through frequent visits of the economists of the Geographical Division to the countries with which they have to deal. In practice this has not been proved possible, partly because there are a great many problems upon which administrators seek advice here in London so that economists can only be spared with difficulty for extended periods of work overseas. This problem may now be eased with the establishment of six "home-based" economists, additional to the establishment described above. There is however still a need for additional posts in the more important recipient countries (or in capitals which could conveniently serve a group of such countries) for economists whose work would complement the work of those based in London.

Main conclusions

41. We are led to the conclusion that there is a basic dilemma between the integration of economists into the administrative machinery and the specific contribution of the professional. Integration would mean that the professional knowledge, experience and judgment of economists was used in day-to-day decisions, and that, to this extent, the cultural gap was reduced. It would avoid the danger that professional advice remained remote. But, if it is to work properly, some "integrated" economists should be given administrative responsibility in well-defined areas. It is not enough to use Administrative Class officers who have had some training in economics, either in first degrees, or on a later occasion. The inherent economic complexity of the decisions which are typically involved require persons who have spent the greater part of their working lives in (or in and out of) the world of professional economics.

42. One major advantage of separation (as opposed to integration) is that the specific contribution of professionals is often more effective if their role is delimited and kept free from day to day administrative burdens, so that their efforts can be concentrated on long range strategy. Undoubtedly the Economic Planning Staff, which represented a compromise between integration and separation,

suffered from an inability to conduct major long-term work. We believe that ultimately full integration is desirable, although this might mean sacrificing the benefit of long-term research conducted in Whitehall, unless rather far-reaching changes are made to protect senior administrators and subsequently economists from being inundated with routine and unimportant tasks.

43. In the meantime, the short-term conclusion is as given above, namely that there should be a clear demarcation of responsibilities between the professional and administrative organisations, with the professionals taking leading responsibility in areas where technical expertise should dominate the decision-making process.

APPENDIX

ROLE OF STATISTICIANS AND A STATISTICAL SERVICE

1. The present Statistics Division has developed out of the Statistics Department of the Department of Technical Co-operation. This in turn originated in the Statistics Department of the Colonial Office and the Division still continues to provide statistical advice regarding the remaining dependent territories. Under one or other of its names, therefore, the Statistics Division has had experience extending over many years in

- (a) organising a flow of statistics;
- (b) providing a contribution, mainly of a technical character, to the policy discussions of other Departments in the Office;
- (c) providing help of a technical character to developing countries; formerly mainly the dependent territories.

2. The work of the Division may be appropriately considered as providing

- (a) a statistical service to the Ministry, items (a) and (b) above; and
- (b) technical assistance.

Special position of the O.D.M.

3. The following comments about the work of the Division have a relevance generally to the standing of Statisticians as such within the Home Civil Service. At the same time, experience suggests that Statisticians in the O.D.M. may have to work within special conditions. In part the work consists of activities which can be carried out through the traditional machinery of the Treasury Pool of Statisticians. For the rest a working knowledge of conditions in developing countries is essential and this may require special terms of appointment.

A statistical service to the Ministry

4. Organising the flow of statistics is part of this service. Originally this entailed providing, for example, balance of payments statistics for dependent

territories and publishing these and other statistics in the Colonial Office Statistical Digest. These tasks are being replaced by

(a) the provision of statistics

- (i) on British official economic aid, required for the Annual Review of British Aid by O.E.C.D. and the publication of an O.D.M. Statistical Digest;
- (ii) on the aid of other donors; and
- (iii) for day-to-day enquiries;

(b) collecting, within the covers of Commodity Books and Country Books, statistical data on the developing countries.

5. In addition, the Division assists, at the policy level

- (a) the administrators in such operations as forecasting; and
- (b) the Economic Divisions of the Economic Planning Staff by providing statistical analyses.

Statisticians and administrators

6. The organisation of a flow of statistics is largely an executive task. It does nevertheless require the supervision not only of someone with *professional qualifications* when concepts are being originally defined, but of someone with *administrative capacity* to ensure the proper running of the Department and to interpret the requirements of other Departments. This means that he must be in touch with policy discussions and take part in them when statistical material or techniques are being involved. So far as the O.D.M. Statisticians are particularly concerned, administrative capacity is also essential in view of the assistance they are required to give overseas countries in building up their statistical services.

7. In the experience of this Division these requirements do not, however, call for the resurrection of the earlier idea of Principal/Statistician. The specific functions and usefulness of the Statistician have been recognised by other Departments and this has made possible in practice a satisfactory working relationship between the Statistician and the Administrators at all levels and in all types of discussions.

Statisticians and economists

8. The rapidly expanding demand for economic statistics on the one hand and, on the other, the new importance of Economists in policy discussions, particularly in economic planning with its special dependence upon a sound statistical foundation, have given rise to the suggestion that there should be a common Class of Economic Statisticians, or of Economists, including Statisticians. That there is some overlapping in the work, and that formerly some Statisticians carried out work which would fall today to the Economists, does not, however, provide the basis for a single Class. Where Economists exist there must obviously be the

closest collaboration between them and Statisticians, but there is no reason why this collaboration should not be as equally successful as that between Statisticians and Administrators. While the organisational structure continues to be transitional and fluid, it may not always be self-evident in whose province a particular task lies. Once Economists are, however, organised in a Department or Division that has achieved its own shape and momentum, a suitable division of labour on overlapping topics is a matter of co-operation between the two Departments or Divisions concerned and this raises no special issues as such. Moreover, although the work of Statisticians and Economists clearly overlaps in the field of econometrics, in other respects their work normally reflects different techniques. For example, the Statistician in addition to the administrative work falling to him, noted in paragraph 6 above, conducts censuses and sample surveys of various kinds in which the main concern of the Economists, in company with other users, is in the results rather than the techniques of collection. A common Class would therefore be inappropriate and any common ground is perhaps best expressed institutionally by the Statisticians and the Economist Departments or Divisions reporting to a common head, as in the O.D.M. The experience of the O.D.M. is relevant in other respects. The Statisticians and the Economists are already separately relating themselves to the work of the Administrators, and a division of labour between Economists and Statisticians is also emerging.

Efficiency of statistical work

9. There are a number of ways to improve the efficiency of statistical work:

- (a) by overcoming the acute shortage of professional Statisticians offering themselves for work in the Home Civil Service;
- (b) by providing adequate supporting staff in the Statistical Department; and
- (c) by introducing special qualifications for Statisticians working in the O.D.M.

Shortage of qualified statisticians

10. This is a question first of increasing the potential supply and secondly of improving the attractiveness of Government Service compared with other statistical work. The supply could be increased by introducing a Class of Statistical Assistants (paragraph 11 below); by interesting outside Statisticians in Government work (paragraph 12); and, so far as the O.D.M. is principally concerned, by offering a permanent career to those Statisticians at present working on technical assistance assignments by the creation of a "Diplomatic Service" stratum of Statisticians (paragraph 13). Conditions of Government service could be made more attractive by adding the appeal of working in other bodies overseas, and by improving career prospects: a large number of interesting senior posts could result from the widening of contracts and experience suggested below.

A statistical career for supporting staff

11. In organising a flow of statistics a great part of the responsibility falls upon officers in the Executive Class, and members of this Class are at the moment

more numerous in the Statistics Division of the O.D.M. than professional officers. They enter the Division in the usual way, receive training on the spot in statistical methods, and are then lost if they are not to forgo promotion prospects. It would greatly aid efficiency if suitable officers could, on entering this work, receive systematic professional training, presumably allied to examinations, and their experience could be retained by offering adequate career prospects. This might be achieved, for example, by creating a Class of Statistical Assistants, open to Executive Officers, with suitable financial inducements, and by providing opportunities for them to enter the Main Grade Statisticians Class possibly after appropriate university or other training. So far as O.D.M. Statisticians are concerned this training might include a period of work overseas.

Interchange with other professional bodies

12. Interchange between the Government Service and universities and other outside institutions could provide gains to the professional ability in both fields and would also advertise the character of Government work. The practical difficulties on both sides, while considerable, are worth reviewing.

Overseas experience

13. In Statistics Divisions dealing with overseas countries the value of personal contacts and visits cannot be overestimated and would almost certainly repay their cost in terms of training. Experience in an overseas statistical service is certainly essential to an O.D.M. Statistician. This experience might be acquired after the Statistician has entered the Service in the normal way as an Assistant Statistician. Thus the training arrangements for O.D.M. Statisticians should include the possibility of three or more years' work in an overseas Statistics Department, if necessary under Technical Assistance arrangements, as compared with the present arrangements for Assistant Statisticians. In any event, the effective salary scales of Assistant Statisticians must be reviewed if suitable candidates are to be attracted from the universities. Compared with alternative employment, the Assistant Statistician has late promotion possibilities. Either the Statistician grade could be extended, with entry at about 26 years of age, or, sub-divided after entry at this age, into Statistician and Senior Statistician.

Technical assistance in statistics

14. The previous paragraph suggests a more flexible approach to Technical Assistance arrangements. With the formation of the Department of Technical Co-operation the Statistics Department became the advisers on technical assistance in the field of statistics, while continuing to provide direct assistance by the overseas visits of its own professional staff. It was about to extend these activities when the advent of the Economic Planning Staff and the consolidation of all aid activities within a single Ministry made them all the more necessary. An increased effort is needed to improve the statistics of developing countries to meet the increased demand for effective economic and social planning. The professional members of the staff need moreover to be more fully in touch with the day-to-day problems of the developing countries. The continuing acute shortage of Statisticians with adequate experience for technical assistance assignments in the developing countries has led to proposals for "extended base" arrangements

with universities and also for expanding the complement of Statisticians within the Statistics Division for the purpose of meeting, as a normal policy, long-term technical assistance assignments abroad from this source.

" Diplomatic service " for statisticians

15. Responsibility within the O.D.M. for sending its Statisticians overseas for short-and long-term assignments, interlocked with Technical Assistance arrangements, would pose new problems for the Statistician Class. One is that it would be a waste of a sound investment if the overseas experience gained by Statisticians were lost by their being subsequently drained away into other home departments. On the view that this overseas work is now a part of the continuing " foreign policy " of H.M.G., establishing a " Diplomatic Service " stratum of Statisticians might be considered, having its own recruitment, work and career structure.

MEMORANDUM No. 125

submitted by

SIR DONALD GIBSON, C.B.E.

Director General of Research and Development, M.P.B.W.

October, 1966

By the end of the century there may be another 20 million people in this country. There will be as many new buildings as those which already exist. This will mean that Ministers and their Civil Servants will have to make many policy-decisions on which architects are particularly well equipped to help.

2. At present, however, with but few exceptions, the "set-up" of the Civil Service with its domination by Administrator and Treasury, makes it unlikely that professional advice is directly given when the top-level decisions are being made.

3. High salaries and responsibility encourage staff of high calibre. So all roads should be open to the top. The present tradition inevitably results in a feeling that the professional is a slightly second-class member of the family. It is unlikely that many professionals would be either able or willing to undertake the job of a Permanent Secretary, but they should not be debarred from the highest paid posts if they are able to fill them. In any case, in a world in which technical considerations are likely to become ever more involved in policy, it seems right that professional advice should be a partner to policy at the very top level.

4. Examples already exist in the Civil Service which go some way towards this principle, even though they were not at the very top level (Under Secretary and below). One was the Architect and Building Branch at the Ministry of Education, where there was a twinning of responsibility between architects and administrators. The new civilian Works Directorate for the War Office followed this pattern (based on the "Weeks" Report,) and more recently the Directorate General of Research and Development in the Ministry of Public Building and Works. I believe they have been stimulating and the results have been good, and on this evidence there would be a case for adopting this principle in more departments, and even at a higher level.

5. Where these arrangements do not exist it should be quite normal for a Chief Architect to talk to the Minister when matters are being considered to which he can make a contribution.

6. One of the main difficulties under which the Civil Service labours (when it is involved in building) arises from its traditional separations between

administration and professionals. Thus recruitment, salaries and training, travelling, office equipment and communication, tendering arrangements and letting of contracts are not the direct responsibility of those who are involved in carrying out a building programme. The separation between authority and responsibility denies the best results and makes blame difficult to apportion. Even in those Departments which I have already mentioned, where there is some twinning of some professionals/administrators, this is really only a compromise to help concentrate authority and responsibility in a total system which does not really believe in this concentration, and it is quite common for the administrative staff to be moved to another post before any very deep understanding of a particular problem or activity has been able to develop.

7. Architects in the Civil Service are generally used in one of the following three ways:

- (a) **To give professional advice within those Departments which exercise some control over the local authorities which undertake their building programmes,**
- (b) **As members of development groups within Departments.** They try to show, by building example, how to design buildings which give good value for the available money. These development projects are selected as representative of a widespread problem which is about to confront client and architect. The aims of the development work on any project may be the setting of new standards for user, technical and economic requirements. In practice this means that in finding solutions to new problems the demands made on the architects are more stringent than those in common practice at the time. Although small in number, development projects carry great responsibility because they are frequently the means by which national standards are either set or heavily influenced;
- (c) **As ordinary practising architects undertaking programmes of building.** The Department principally involved in this way is the Ministry of Public Building and Works which spends about £100 m. each year on new buildings for the three services, the Post Office, research stations, prisons, the Foreign Office and others. It is the largest building office in Britain.

8. The basis of Central Government is that it should speak with authority and be able to deserve the respect of the less senior agencies, with which it has dealings. To do this successfully it requires a staff of the highest quality, and a status and salary which is looked up to by the industry and professions and agencies which it serves and directs.

9. Unfortunately, so far as architects are concerned, the trends are all the wrong way, and have been for some time. The situation is now quite critical. The existing staff is getting old, and the brighter young university entrants (the life-blood of any continuing organisation) are now, and for some time past have been, choosing private or local authorities, or other work where conditions are more appealing.

10. The Civil Service has been losing status for a long time. Only two or three architects in the Civil Service can earn over £6,000 a year. In private practice 240 architects got over £10,000 and over 500 got over £5,000 in 1961. It must be considerably higher now. (R.I.B.A. Office Survey.)

11. There should be a greater proportion of more highly-paid professional posts. By tradition, architects' departments have been established on an administrative pyramid pattern. The control of the complex problems involved in buildings must be in the hands of experienced architects. The narrow pyramid means there are not enough experienced and able architects for this to happen. The result is that the quality suffers.

12. In order to attract able and experienced architects it has to be seen that the Civil Service offers an attractive career. By comparison with the Administrative Class the prospects are poor.

13. It is very difficult, for example, to recruit post-graduate students who have completed their full-time architectural training but have not yet had their full two years' practical training and therefore are not eligible to sit their Part III final examination. It is important that we should have in our offices these young architects, and we must, therefore be able to offer salaries to them which are in line with what they receive in private practice. At the moment, salaries are running between 30 and 50 per cent below outside salaries.

14. In spite of the difficulties, it has been possible in a few of the smaller departments, with existing development projects, to recruit a few junior staff, but in the Ministry of Public Building and Works the present complement for architects is 450, and there are only 320 in post. Several million pounds is being paid each year to private offices to help with the work load. During the past year only 27 architects were recruited. Fifty per cent of the staff are over 50 years old and only 5 per cent are under 30 years old. The Civil Service Commissioners, Report for 1965, page 6, refers to this problem; the report says they had little success with Main Grades (even when stretching the rules), and recruitment to the Basic Grade virtually ceased, and the Basic Grade should be the main source of life-blood for any continuing organisation.

15. The following comments are all related to difficulties of the present situation. The Civil Service Commission seems to be too ponderous and slow to compete with the outside world at a time of full employment and when new Government ventures call for new activities and the staffing of new departments rather than a gradual topping up of existing ones. The processes designed to ensure fair pay take far too long.

16. Another example of too much time passing before action is that the Pay Research Unit has been two years on a Works Group study and the result is still not available. The process of appointment and evaluation are in drastic need of simplification and streamlining. The Civil Service is now too vast and varied to suffer any common machine. "Trawls" are a good example of "time-passing" before action. The responsibility for fixing establishments, finding the staff and employing them should be delegated to each Department.

Each Department should have its own staff budget and within this it should give promotions, pay more for merit (on appointment or during service) and retire or dismiss staff. Many architects nowadays move from job to job either to get experience or to specialise. The old idea of security and pension are no longer appealing factors, except to the type of individual we do not want in the Service. In any case most private offices and all local government now have pensions schemes of one sort or another. The transfer of pension rights should not be allowed to continue to be the barrier it now is. Professional people should be able to change freely from central to local government and to private practice. The work of development groups could spread more quickly into practice in this way. It would encourage a quicker challenge to old and outworn traditions.

17. The economic plan for Britain, even if it changes in time-scale, still requires an extended construction industry for years ahead, so that the causes of the present difficulties, (even if they should be modified by some temporary "set-back" in building) call for quick and lasting remedies.

MEMORANDUM No. 126

submitted by

MR. J. H. T. GOLDSMITH, C.B.E.

Civil Service Commissioner and Chairman of the Civil Service Selection Board 1951-63

October, 1966

The possible use of the "Extended Interview" technique for a selection of University Graduates for a "Comprehensive" Civil Service

1. The objects of this paper are:

- (a) To assess the size of the problem,
- (b) To consider what is required from the selection procedure,
- (c) To review alternative methods of selection,
- (d) To suggest how the "Extended Interview" method, which I will refer to as C.S.S.B., might be used for the numbers of applicants who are likely to offer themselves for selection.

2. I have avoided discussing at length matters which are relevant to the problem of selection such as publicity, conditions of service, training, etc. But the size and quality of the field of candidates depend upon the nature and responsibility of the job and the way it is presented to possible applicants; and all University Appointments Boards stress the importance of satisfactory training schemes to undergraduates who are comparing the attractions of a variety of jobs.

3. The views expressed are my own, based on my experience over the last twenty years, but they have been checked with many colleagues past and present. All references to the Civil Service should be taken to include the Diplomatic Service to which I hope the same degree of comprehensiveness will be applied. It will be found that the terms "Principal", "Executive Class", "Administrative", etc. are used to such an extent that it could leave an impression that I am not thinking of any significant change in the structure of the Service; this is not so. But certain types of work will continue to exist and I thought it would be less confusing to the reader if I continued to use existing terminology where it seemed to make my meaning clearer.

The size of the problem

4. The paper on "The Future Structure of the Civil Service"¹ produced for your Committee by the Treasury in May, envisaged the merging of the

¹ Memorandum No. 1.

Administrative and Executive Classes. It deliberately omitted the more specialised "Departmental Classes" and no mention was made of the Diplomatic Service. While agreeing that most of the specialised branches which employ scientists, lawyers, economists, etc. should recruit these specialists separately from the general Administrative/Managerial Classes, it seems likely that a considerable proportion of the graduate entrants will continue to wish to be considered for a number of alternatives. At present the Administrative Group of Competitions covers the Administrative Class, the senior branch of the Diplomatic Service and the three Special Departmental Classes, that is the Tax Inspectorate, Ministry of Labour cadets and Assistant Postal Controllers. To have a separate selection procedure for each of these would add greatly to the complications of recruitment and might involve candidates in a multiplicity of interviews. It would also cause delays which it seems particularly important to avoid.

5. I am confining my calculations to those who come within the age limits of the present normal competitions where candidates must be under the age of 28, and I am only considering people not already in the Civil Service. Older candidates coming from outside the Service with a variety of experiences are treated as a separate problem (see paragraphs 50-53). The movement and promotion of inservice officers who at present compete for Class-to-Class promotion, including those who undergo the Method II procedure in some form should, in a properly constituted Comprehensive Civil Service, be entirely the responsibility of individual departments and the Treasury. If the system is to work, careful attention must be given by establishment divisions to ensure that serving officers are given every opportunity to achieve their potential. The removal of class barriers should make this easier than at present. It involves scrupulous reporting, more training courses than at present and more movement within and between departments. It has always seemed to me a serious criticism by serving officers and their staff associations that they should feel that C.S.S.B. plus F.S.B. can make a fairer and more valid assessment of their capabilities than the department for which they work. Those who occupy key posts in establishment divisions might benefit from training courses in such matters as personnel management and staff assessment, a need which is increasingly becoming recognised in industry.

6. I am also assuming that the G.C.E. method of entry into what the Treasury paper describes as Grade VIII will continue to be available to graduate entrants as well as to school-leavers. But it should be open to graduates to compete by a more searching procedure in order to start off as "managerial cadets", otherwise many of the better recruits may be discouraged from competing. (I dislike the word "cadet" which smacks of the continuation of a class system but I can think of no better word to describe what is implied in this paper.) The Treasury suggests a "starred" entry based on academic records and performance at the selection stage with added initial increments for the kind of candidates who at present compete successfully for A.P. posts. I would agree that potential flyers must be given the necessary incentives to enter the Civil Service and there should also be incentives for those who are successful as cadets a bit lower in the scale. The great advantage of the new system will be that the Grade IV "baton" will be available to *all* the Grade VIII entry

without the present Class hurdles to surmount and even the incremented potential fliers will have no established right to continue in their status unless their wings develop. In view of shortages and the waste of transferring a potential Tax Inspector before the end of his long period of training, additional increments may have to be offered to cadets so posted. The Estate Duty Office is another branch of the Service which may require special consideration. There are other special cases such as Customs and Excise and Exchequer and Audit but where possible the continuation of specialist classes should be swept away in the interests of flexibility.

7. If the G.C.E. method of entry to Grade VIII remains, then it seems reasonable to demand certain qualifications in order to compete for a cadetship. I suggest, in the first place, that cadetships should only be available for those who have an honours degree or who are reading for honours. If this resulted in the number of applicants becoming unwieldy, there are other ways of reducing the field such as a qualifying written examination or a preliminary interview, but the former greatly increases the duration of the competition. Preliminary qualifying interviews could be confined to those candidates not considered by their tutors to be of genuine second-class calibre and to those who have got "thirds", but such a method could cause difficulties. The preliminary interview as a possible part of the selection procedure is discussed later (paragraphs 19-21). Changes in higher education may raise problems of degree status, but it would be otiose to discuss this at length here.

8. The number of cadet vacancies to be filled would cover the present A.P. vacancies, say 100, the present Grade VIII Diplomatic Service entry, say 40, the present S.D.C., say 100, plus an unknown number of Executive Class vacancies, including the Diplomatic Service present Grade IX. It is difficult to compute from the tables in the annual report of the Civil Service Commission how many individuals competed in 1965 for the normal open Administrative Group of Competitions because so many competed by both methods for several branches of the Service, but the number is unlikely to have been more than 900. In order to calculate the number of additional applicants there might be for the suggested comprehensive cadetships there are so many imponderables that one can only make an inspired guess. The Treasury paper tells us that of the recent annual intake of some 2,000 into the Executive Class, only about 100 were graduates. This almost certainly means that not more than 200 competed and not all of these will have been reading for honours. It is to be hoped that a comprehensive Civil Service will attract more entrants and, of course, universities continue to expand. It might be optimistic to bank on an increase for the first year or so of more than 400 over the present figures and a safe guess might be that not more than 1,500 graduates would compete for these cadetships. If the number were substantially greater, some eliminating process might have to be devised. In the course of time, as the number and quality of university students increases, the size of the potential cadet field may expand greatly. I have taken this into account in paragraph 45.

9. The advantages of entering the Service as a cadet will presumably be:

- (a) Successful candidates will start with at least one additional increment compared with the G.C.E. entrant; age at the time of entry will also

have to be taken into account. Those who are considered to have shown the merits of potential fliers may have to be offered several additional increments at the outset.

- (b) Certain posts, including those at present occupied by A.P. and S.D.C. entrants, will be reserved for cadets, as well as some specially designated executive-class posts. But it must be emphasised again that the period of apprenticeship and training, rather than the assessment of potential quality at the time of entry, will decide the future career of all entrants, not only of the cadets. The object must be to give an officer a variety of experience leading to the kind of work for which he proves to be most suited and as much responsibility as he can carry at the earliest possible moment.

10. The structure of the new comprehensive Civil Service is outside the scope of this paper, but it may well be that the number of officers who are engaged on what is now regarded as pure Administrative Class work will decline. But such officers will need to be served, both expertly and generally, by assistants of rather higher calibre than the general run of the present Executive Class provides. Good training will, of course, improve calibre. Anybody who, like myself, has spent more than twenty years interviewing Executive Officers seeking promotion, must have been struck by the wide disparity both in scope and responsibility of Executive Class jobs, not only in the lower ranks. And it is a common complaint among Principals that they have to spend far too much time training the Executive Class officers on whom they depend. The Comprehensive Service, it is to be hoped, will eventually meet the need for a much larger number of well-educated and well-trained officers for responsible and interesting, but not truly administrative work, apart from managerial posts. This should attract university applicants who are at present discouraged from entering the Executive Class. There must not be any impression at the universities that the main or only reason for recruiting more graduates is because the stream of school-leaving E.O.'s is drying up. There is scope for a large development of quasi-professionalism in the main departments. Since the general "administrator" will continue to be relatively mobile, some of the new graduates (and specially-trained school-leavers) may have careers in rather specialised fields and end up as "administrators" where their semi-specialised background is needed.

What is required from the selection procedure?

11. As things are the Class system in the Civil Service implies the need for a more accurate assessment of potential capacity at the selection stage than will be required under the comprehensive system. The Civil Service Commission now attempts to decide whether the examinee is likely to proceed steadily up the Administrative Class ladder, become a high-grade diplomat in due course or a successful Tax Inspector, etc. And because failure in the particular Class for which the candidate is selected can have serious consequences not only for the Service but for the candidate himself, the selectors have been apt to take an ultra-cautious attitude. There has been less caution in recent years but it is still too early to know whether this has resulted in any serious problems

of dilution. One result of this caution is the present shortage of Principals and Tax Inspectors and it may account for the opinion expressed by witnesses before the 1964-65 Estimates Committee on Recruitment to the Civil Service that the Civil Service Commission seemed to be concentrating more on keeping doubtful candidates out than attracting good ones into the Service.

12. It is questionable whether any system of selection can achieve the kind of accuracy we have aimed at, particularly with young and inexperienced candidates in their final year at a university. Both Method I and Method II have achieved, in the main, what they set out to do and provided the Service with recruits who with very few exceptions are expected to reach the upper-middle ranks of their class whether in the Administrative Class, the Diplomatic Service or the Tax Inspectorate. But follow-up operations show that a disconcerting number of officers who have served long enough to be recognised as fliers were not so assessed at the time of selection, and statistical treatment of the follow-up material suggests that at least 50% of those rejected might also have reached the upper-middle ranks, although at the cost of a much higher proportion of failures than at present. But one would need to be more confident about the validity and reliability of departmental recording for such statistical treatment to be accepted as accurate evidence.

13. You cannot have it both ways; if a greater risk is taken the percentage of failures on the job is bound to rise. But the comprehensive idea will enable a failure on one particular type of work to be tried out on another without catastrophe. It might be mentioned in passing that greater possibility of interchange between the Home Civil Service and the Diplomatic Service has much to recommend it. Indeed the arguments in favour of such transferability both ways, are so strong that it is tempting to suggest that the two Services should be organised on parallel lines so as to make such transfers easier.

14. The selection of cadets for a comprehensive Service will permit greater risks to be taken, for reasons which have been given. But because cadets will start with an advantage, the method of their selection, being competitive, must be both thorough and be seen to be fair both by the candidates and by officers already in the Service, not to mention the public in general. The procedure must also try to discover and suggest the most suitable initial assignment. As at present the qualities of character, intellect, temperament and stamina must be assessed but, if there were greater possibilities of transfer from one category of work to another, there would not be the present need to try and forecast accurately the way a candidate will develop. The problem of the cadet who does not fulfill the potential suggested both by his initial increments and the calibre of his early assignments is, of course, a very real one but perhaps no greater than if the present probation procedure for the Administrative Class was more rigorously applied. It would be only in exceptional cases that an officer would be made to feel that he had been down-graded to an alarming extent. Even the potential flier who started off on A.P. work should be given the experience of other assignments and what I have already said in paragraph 10 should mean that there was responsible and interesting work in a number of different fields. The real failure should not be discouraged from leaving the Service. There will, even more than at present, be scope for the officer who enters the Service after leaving school to gain advancement.

Alternative methods of selection, which might be used

15. *Method I.* I know that I am voicing the views of the Civil Service Commission when I say that the present Method I procedure is "not on" because of complexity, time and expense. This is not to suggest that Method I has proved a failure; making the reasonable assumption that Method II has increasingly creamed off the better portion of the field, Method I has been astonishingly successful.

A written qualifying examination followed by an interview before a Final Selection Board

16. At present Method II (and to some extent Method I) uses an entirely non-specialised written examination. After the examiners have awarded marks one of the Civil Service Commission's "Script Readers" assesses the whole of a candidate's scripts and this provides particularly valuable intellectual evidence for C.S.S.B. The examination itself has provided the only means of reducing the field of otherwise qualified candidates to a manageable size; but the examiners' marks have not proved to be a sufficiently reliable guide to a candidate's potential, and a sift of border-liners based on record and reports has been found to be necessary.

17. The main disadvantage of such an examination is that it adds greatly to the duration of a competition and makes it difficult to have the kind of continuous competition which may be necessary to attract more graduates to the Civil Service.

18. It is doubtful, too, whether such an examination would provide enough additional information for the F.S.B. and still more doubtful whether it could fairly be used to reduce an entry of 1,500 or more to a size digestible by even a duplicated F.S.B.

A Final Selection Board preceded by Preliminary Interviews

19. This is the system introduced by Sir Ralph Furze for the selection of the Colonial Service and was continued in a modified form until recent times. It depended for its successes on a comprehensive system of confidential reports covering early environment, school and university, in addition to those of referees chosen by the candidates themselves. There was talent-spotting both in schools and universities. Each candidate was separately interviewed, those who were not clearly in or out after the first interview being seen again by a second interviewee, possibly by a third. All the interview reports were available to the Colonial Service Appointments Board (comparable with F.S.B.). The critics of this method are often prejudiced or uninformed but people best fitted to assess the results agree that it was successful. The critics do not give enough weight to the degree of toughness and self-reliance demanded by a career in the Colonial Service. History may or may not judge the method of developing our colonies to have been misguided but recruitment was based on demands decided by Government. It must be remembered too that the talent-spotters were for the most part university dons at a time when they could get to know the undergraduates individually better, perhaps, than they can today. It might

be argued that too much emphasis was placed on men who would be "good in the bush" and too little on the needs of the Secretariat, unlike in the old I.C.S.

20. A similar method could be adapted for the selection of cadets for the comprehensive Civil Service. A pair of preliminary interviewers for each candidate could be the same as the Group Chairman and Observer used at C.S.S.B. and there is no doubt that skilled and experienced interviewers could provide valuable evidence for the F.S.B. Such a method has the advantage of being able to be continuous and there need be no long period between the preliminary interviews and the F.S.B., provided the preliminary interviewers had the power to exclude, at that stage, candidates who were not thought to be worth consideration as cadets, otherwise F.S.B. might be overloaded. There is a great advantage in this method in that the preliminary interviews could take place at the candidate's university.

21. The main objection to this system is that it is too dependent on interviews alone and might not therefore commend itself to the general public or, indeed, to unsuccessful candidates.

The "Extended Interview" (C.S.S.B.) followed by F.S.B.

22. Here we would be using a technique which has been in existence for more than twenty years and which has come to be generally accepted by candidates as fair and penetrating. It would, I think, be much more acceptable than preliminary interviews as an eliminating factor for a proportion of the field before F.S.B. And although candidates would spend $1\frac{1}{2}$ or 2 days at C.S.S.B. instead of only the time occupied by two preliminary interviews, the total competing time would otherwise be the same.

23. I am assuming that there is no need to describe the C.S.S.B. procedure in detail. The essential features of the system lie in the variety and balance of the tests which enable the assessors to read something of a candidate's written work, observe him working in a group with his colleagues and interview him individually by himself. But perhaps the most important thing is that the assessors have a group of candidates continually in their minds for a couple of days and by the end of that time it is astonishing how much has been discussed about the character, intellectual potential, temperament and ability of the candidates. Provided the "documentation" is good, you feel that you have about as much information as you need to make a reasonable assessment and, what is more important, the great majority of candidates feel that they have been stretched. The fact that so many errors of under-assessment have been made is due mainly to the high overall calibre of the field and the caution of the assessors and F.S.B. I have met nobody who has taken part in the C.S.S.B. procedure and who has been in a position to compare it with other forms of selection who does not consider the extended interview much the most revealing.

24. The main objections to the C.S.S.B. method are, I think:

- (a) that the procedure is more time consuming than that used by most, but by no means all, other employers of graduates;
- (b) that it favours the more mature and extroverted type of candidate.
(And there will no longer be Method I as an alternative.)

With regard to (a), it would be difficult to shorten the procedure any more if it is to be a fair and thorough competition for cadet entry, and as for (b) not only have we learned much from our mistakes but in future we can be less cautious in our forecasts when judgments are less absolute under the new comprehensive system. And to both (a) and (b) there is the answer that there remains the ordinary G.C.E. entry to Grade VIII, particularly if age is taken into account when increments are being considered. There is also the point that the C.S.S.B. procedure is not used in isolation to make an assessment. A well-designed application form should give the essential details of a candidate's history up to the time of entry and this can, as at present, be supplemented by a form filled in at C.S.S.B. to give further information about his leisure activities, interests, etc. Two complementary interviews, lasting up to 45 minutes each, give an opportunity of examining all the evidence and due allowance will be made for the candidate who finds the C.S.S.B. procedure an alarming ordeal. The shy candidate seems to find F.S.B. even more frightening.

How the Extended Interview system might be used for a field of 1,500 graduate applicants per annum

25. I am basing my suggestions on a number of assumptions:

- (a) That the competition should as far as possible be continuous, with a number of gaps to make the operation organisationally possible for the Civil Service Commission,
- (b) That the number of cadetships will not at the outset exceed about 450. That number would cover the 240 vacancies at present offered in the normal open Administrative Group of Competitions plus an additional 200 or so for what are at present Executive Class and Diplomatic Grade IX posts. The additional 200 specially-selected posts might attract graduates who would be deterred if they felt that the cadetships were no more than a continuation of the existing class system under a disguise.
- (c) That it will be possible to duplicate the F.S.B. both to save time and make the work less of a burden.
- (d) That each F.S.B. will be able to interview up to 350 candidates in the course of a year, that is between forty and fifty board days.
- (e) That the C.S.S.B. teams will have the authority to withhold from F.S.B. those candidates whom they consider are definitely not worth cadetships. (C.S.S.B. virtually has this authority at the present time.)

26. Some of the evidence before the Estimates Committee criticised the Administrative Group of Competitions for being too much London-based and there seems to be a feeling that this discourages candidates from Scottish and provincial universities, who may not wish to work permanently in London. There seems also to be an idea that London-basing adds to the unreasonable assumption that the competitions are biased in favour of Oxford and Cambridge.

27. Partly to meet these criticisms and partly to suit the convenience of candidates, following the example of our industrial competitors in the recruitment field, it is suggested that a number of provincial centres might be set up for

C.S.S.B., for example Edinburgh, Newcastle, Manchester, Birmingham, Bristol and Aberystwyth (or Cardiff) as well as London (or Basingstoke). This would mean that candidates could choose to be tested, for the most part, much nearer to their own universities or homes.

28. Without a written examination the time between a candidate's application and the knowledge whether or not he was successful would be much shorter than at present. Candidates could be encouraged to apply any time they wished so long as it was not earlier than, say, November in the final year of their first degree. C.S.S.B. could take place as soon as referees' reports were obtained and F.S.B. could follow two or three weeks after C.S.S.B. The main problem would be one of organisation to ensure the requisite speed.

29. The actual form of the C.S.S.B. testing needs to be reconsidered. The existing procedure is based on a job analysis of the Administrative Class and it is questionable whether the same tests are equally suitable for other types of work, e.g. the Tax Inspectorate. Circumstances have compelled us to use the same tests for inexperienced and immature 21-year-olds as well as for much older candidates with long experience of administrative and managerial work. By and large it has worked successfully but during the last fifteen years it has not been possible to examine the predictive validity of those tests which are based on a comprehension of the problems involved in the background file. These tests include the main written exercise (the "Appreciation") and the committee exercise. A great deal of follow-up work has left a strong impression in my mind that many of our under-assessments may have been caused by the difficulty of inexperienced youngsters in reading themselves into a lengthy file containing a sophisticated problem, which has to be read and comprehended in an unrealistically short space of time.

30. With the absence of a written examination, the written work at C.S.S.B. acquires even greater importance and, in my view, some more appropriate written exercise could be devised than the present "Appreciation". An objection is sure to be raised on the grounds that, in a competition, written papers or at least some of them should be read and marked anonymously without any knowledge of the candidate's background. On the other hand, the object of this particular exercise is not to award a mark which will place a candidate in an order of merit or qualify or disqualify him. Like everything else in the C.S.S.B. procedure assessments are made with consideration of background, opportunity, age and experience. In considering written work it is useful to know, for example, if a candidate is a scientist or an arts man.

31. Your committee will not wish me to go into details (although I have produced possible programmes for C.S.S.B. in Appendix A) but so long as the procedure maintains the essential balance and variety of written work, group tests and interviews, and so long as candidates can be made to feel that they have been intellectually stretched, there seems no reason why the exact form of the existing procedure should remain.

32. The importance of the present committee exercise lies in the opportunity for the assessors to observe the interplay of personality and the exchange of

ideas between the candidates themselves without any interference from the assessors; it is possible to learn a great deal about candidates in this way. Without the background file this exercise could take a different form without losing its virtue.

33. For example, the committee exercise which I have more than once seen in operation in the I.C.I. group selection procedure takes a form which we might adopt. Each candidate would after a suitable time for preparation, take the chair in turn for the consideration of some contemporary problem, preferably being offered two or three alternatives from which to choose. Typical examples of the problems used by I.C.I. have been:

- (a) To what extent, if at all, should the proceedings of Parliament be televised?
- (b) Should the police be armed?
- (c) To what extent should undergraduates be encouraged to take vacation jobs?

34. An objection might be made that by abandoning the background file and the tests based on it, we should be discarding those tests which have most analogy with Civil Service work. But the analogy is mainly with Administrative Class work and is to some extent illusory. Civil Servants are seldom asked to make recommendations on a complex problem where the information, because it has to be read and assimilated in an hour or so, is necessarily scanty, nor, as I have said, is the time limit realistic. The inexperienced youngster is not likely to have been faced with a problem of this kind. Another argument against the background file is that it takes a long time to produce and if it is to be used throughout a whole year it is bound to become known. It is true that we have not found this to be a serious handicap but with the larger field of candidates the theoretical objection will be the more valid.

35. For a comprehensive service, too, the task of C.S.S.B. will be different from the present one. We shall be trying to assess where a candidate should start his career in the Civil or Diplomatic Service rather than the Class which will largely settle his career, and much of the selection process now attempted by C.S.S.B. will be undertaken by departments during the candidate's early years in the Service. It is to be hoped that even the potential flier will, at some early stage in his career, be given some managerial experience and responsibility; also that his career will not necessarily be confined to London.

36. The present C.S.S.B. procedure lasts for three days, candidates being tested for two days in groups of five, with a third day for the final conference and report writing. It would be almost impossible to shorten the procedure if the tests based on the background file remained but, in Appendix A, I have suggested shortened procedures which occupy candidates for less than two days. This means that no candidate need be away from his academic work for more than two days and, without a written examination, this shortens the present Method II procedure by about 50%. Moreover it will reduce the demands on the Civil Service Principals (or Diplomatic First Secretaries) who are essential as members of the C.S.S.B. teams. Some experienced assessors prefer a three-day procedure

and it is true that the more time the C.S.S.B. teams have to do the job, including particularly time for comparing notes about candidates before and between interviews, the more confident they feel about their judgments. It would also leave more time for the assessment of written work which, as I have said, may be more important without a written examination. And if some candidates are to be excluded at the C.S.S.B. stage from the F.S.B.s which are to interview potential cadets there is all the more need to be satisfied with assessments. But it will be necessary, in order to get through the work, to have two C.S.S.B. boards within a week. A three-day procedure entails Saturday working and the time-table I have suggested in Appendix A can, I am convinced, be carried out by experienced teams of assessors without undue rush or strain. A compromise has been suggested to me, which would mean that twelve candidates would be seen in two groups of six in the course of a full five-day working week instead of ten candidates in two groups of five in four days. This scheme has been included in the Appendix.

37. At present most competitions at C.S.S.B. are run with teams of two, a Group Chairman and an Observer assessing each group of candidates. The exception is for the main part of the normal open competition when a psychologist is a third member of the C.S.S.B. teams. Few of us who have worked at C.S.S.B. would discount the value of psychologists but the main need for them is in the exceptional case of temperamental difficulty rather than for the general run of candidates. The more experienced the other two members of the team are, the less need there is for the third member. It would be quite impossible to obtain the services of qualified psychologists, of the calibre and with the experience we need, for a continuous competition dealing with 1,500 or more candidates a year. There are, of course, plenty of comparatively stress-free jobs into which those who are liable to breakdown can be placed. The Diplomatic Service, where the stresses and strains are even greater, would probably miss the addition of a psychologist's report. It would be possible, but perhaps open to too many objections, for candidates to be given an interview by a psychologist before being posted to the Diplomatic Service.

38. To carry out the C.S.S.B. operation, therefore, it is suggested that C.S.S.B. teams should consist, as at present, of a Group Chairman and an Observer. Many of us think that too many of the existing C.S.S.B. assessors are only very occasional participants and that continuous experience of the work greatly adds to the value of their judgments. There would be much advantage in having a pool of more regular assessors. It is essential, of course, for assessors to be thoroughly informed about the work of the various branches of the Service which will employ the cadets and also about the C.S.S.B. method. They should also be instructed in interviewing technique.

39. Ideally the Observers should be serving Principals or First Secretaries (or their equivalents in the comprehensive Service). They should be of high intellectual calibre, well regarded by their departments and with the special attribute of being interested in people.

40. The Group Chairman can be a senior Public Servant, active or retired, a seconded or retired headmaster, or perhaps a senior don partially seconded for the work. The important thing is that he should have wide experience of

management and administration and, like the Observer, a profound interest in people.

41. As at present there should be a permutation of C.S.S.B. teams so that Group Chairmen are continually working with different Observers. In this way it is easier to maintain equality of standards.

42. If it is agreed that C.S.S.B. will take place in a number of centres, entailing travelling and staying in hotels, the remuneration should take this into account. The job of Group Chairman would be more attractive to a retired person if he could count on earning, say, £1,500 per annum.

43. A field of 1,500 means 300 groups of five candidates. A team of twelve Group Chairmen could each take twenty-five boards in the course of a year. With two-day boards this means fifty days work at C.S.S.B., sixty-three days if the alternative procedure were adopted. There would have to be an induction course for newcomers lasting, say, a week and, probably, periodic conferences.

44. Observers would be serving public servants so that the question of remuneration does not arise. There is the problem that departments will continue to find it difficult to release Principals of high calibre. But if the work of selection is to be done properly, and this is surely vital to the Service, this sacrifice is necessary. Departments who lend Principals to the Civil Service Commission to work as assessors must ensure that work at C.S.S.B. has absolute priority during the period of attachment, otherwise the organisation would become impossible.

45. A team of twenty Observers could each take fifteen boards in the course of a year. That would mean thirty or thirty-eight days on C.S.S.B. work, depending on the length of the boards, with the addition of a week's induction course for beginners and periodic conferences. Seeing that the demand would be little more than for one Observer from each major department (presumably the Civil Service Commission would have two or three Principals on whole time secondment) the burden on departments does not seem to be excessive. I have discussed this problem with a number of Principals who have served periodically at C.S.S.B. They enjoy the work and admit its value to them for the kind of experience it gives, the intellectual demands it makes and for the contacts with the university world, etc. But they also say that it is extremely difficult for a department so to arrange the work assigned to a high-grade Principal as to allow for these periodic breaks at C.S.S.B. Like most problems it is a question of priorities and it may be agreed that even with the present shortage of Principals the importance of good selection should come high on the list, particularly as one of the objects is to increase the supply of good Principals. In the course of time it is to be hoped that the size of the graduate field and the number of cadet posts will expand, but by then, if recruiting has been successful, departments will be less short of the calibre of Principal required as Observer. Once Group Chairmen or Observers have become fully experienced and have shown themselves to be particularly suited to the work, it will not be essential for them to take so many boards annually and it would obviously be a pity to lose continuity. The work requires a degree of professional skill as well as aptitude and careful selection and training of assessors is necessary. Over the years it has not always been

possible to chose the assessors we want, nor to discontinue using assessors who are not entirely satisfactory. This is a difficult problem which requires a certain amount of ruthlessness.

46. Not even the greatest enthusiast for the C.S.S.B. system would claim that it is satisfactory without accurate and full information about a candidate's career up to date and it is no less important to have informative referees' reports, particularly from universities. The C.S.S.B. situation is artificial and candidates do not always behave naturally under competitive conditions. Skilled persons interviewing can do much to check ill-informed or careless reports, almost certainly much more than an interview before a board, but a conscientious report from a tutor who knows a candidate well is invaluable. At present reports from Oxford and Cambridge colleges, are, on the whole, much more informative than those from most other universities. It has been suggested that every university should have one or more members of their academic staff who should have the responsibility of helping the Civil Service Commission in this way. It has to be remembered that the majority of candidates will be seen before they have taken their final degree examinations. Perhaps departments of "Government", which now exist under different names in most universities, would be more anxious than others to take trouble over this.

47. The objects of the C.S.S.B. operation should be:

- (a) To sort out those candidates who were thought to be worth consideration as cadets.
- (b) To suggest on the basis of a candidate's ability, experience, temperament and inclination where his initial placing might be, including department, type of work, etc.
- (c) Possibly to decide, in the case of those candidates who were not recommended as likely cadets, whether a candidate should be accepted for Grade VIII without the need of an interview before another board.
- (d) To reject finally candidates who were considered totally unsuitable for Grade VIII appointments. (But this might be difficult if the G.C.E. entry to Grade VIII were regarded as a separate competition.)

48. F.S.B. would, of course, decide the award of cadetships and the First Commissioner, in association with the Treasury, the number of increments to be given, in addition to whether a candidate should be posted to the Diplomatic Service or the Home Civil Service. All candidates sent to F.S.B. as possible cadets would, I hope, automatically be accepted as Grade VIII successes whether or not they were offered cadetships.

49. There are many people who fear that even this quicker and simpler form of selection may discourage some of the potential fliers who are sought after by many employers outside the Public Service. In particular, even among those under the age of 28, there will be people who have obtained a first class degree and may already have obtained a second degree, perhaps a doctorate. They may have embarked on an academic or some other career and wish to make a change. Young dons may dislike competing in a group with undergraduates. At present

candidates with first class honours can obtain A.P. posts on the basis of a two-day non-specialised written examination plus an interview before F.S.B., and it would be possible for this alternative method of competition for candidates with first class honours to remain. I do not propose to discuss the merits of this but, in my view, there should be some form of competition apart from only an F.S.B. interview for all Grade VIII cadet posts.

50. There remains the problem of older candidates who at present compete for Principals' posts in the Civil Service and corresponding posts in the Diplomatic Service. In 1965 there were more than 1,800 applicants for such posts for which there were about eighty vacancies. At present the entry is reduced to manageable proportions by a "rough and ready" sift based on a candidate's record, and those who are in-sifted are seen by C.S.S.B., sometimes with the benefit of a written examination, and by the F.S.B.

51. I do not know to what extent, under the comprehensive idea, this entry to Grades V, VI and VII will be encouraged and the problem is not discussed in the Treasury paper on the future structure of the Civil Service.

52. If the present method continued and 300 candidates were in-sifted to fill, say, 100 vacancies, it would add 20% to the task thrown upon C.S.S.B. and F.S.B. and an additional two or three Group Chairmen and four Observers would be required, or an increased number of attendances by the others.

53. But, in order to recruit a few candidates of high calibre to Grade VI or V, particularly where special qualifications and experience is required, it might be possible for candidates who meet the requirements to be offered temporary posts on a trial basis, a decision being made after, say, two years whether the trial was successful from the point of view of both parties, in which case the candidate could be retrospectively established. This is similar to the system used at times for Scientific posts in the Civil Service. Application for these Grade VI or V posts might be made directly to the department concerned, who would short-list the applicants. Those short listed might have two personal interviews, one professional, the other more general, the ultimate selection for trial being made by a departmental board, on which the Civil Service Commission was represented.

APPENDIX A

SUGGESTED PROGRAMME FOR A SHORTENED C.S.S.B. PROCEDURE GROUPS OF FIVE CANDIDATES

All assessors should be sent the "documentation" of their candidates to enable them to read the *curricula vitae* and reports on the evening before they see their candidates. It is assumed that C.S.S.B. assessors will either stay the previous night at the centres where the boards take place or will travel to the centres overnight by sleeper. (I know from personal experience that early-morning aeroplanes are unreliable.) Candidates, as at present, will be sent in advance a description of the procedure,

The programme has been designed to enable assessors to see all candidates in action in the Group Exercise before any interviews take place. A weakness of the present system is that all candidates have at least one interview before the committee exercise.

1st day

- 9.15 Candidates assemble. The administrative arrangements are explained to them by the "secretary".
- 9.30-10.30 Candidates do some form of written paper. (During this period the assessors will discuss candidates' backgrounds and referees' reports.)
- 10.30-10.45 Coffee break at which assessors and candidates meet one another.
- 10.45-11.15 Candidates prepare committee problems. (During this period the assessors can read the written exercises of the two or three candidates they will be interviewing later in the afternoon.)
- 11.20-12.35 Committee exercise at which each candidate will take the chair for 15 minutes.
- 12.40-1.15 Candidates fill in forms for interview. (During this period assessors will discuss candidates' performance in the committee exercise.)
- 1.15-2.30 Luncheon interval.
- 2.30-3.00 Candidates will do cognitive tests. (During this period assessors will continue the conference on the committee exercise and/or read more of the written exercises.)
- 3.00-5.50 Each candidate will be interviewed once during this period, two by the Group Chairman and three by the Observer. Each candidate can also spend an hour on a second written exercise. The Group Chairman will have time to complete his reading of the first written exercise. Each interview will be timed to last up to 50 minutes leaving time for a tea-break between 4.40 and 5 o'clock.

2nd day

- 9.30-10.30 Candidates do cognitive tests. (Assessors will have time for a conference about candidates, particularly concerning matters that have arisen at the interviews on the previous afternoon.)
- 10.30-1.00 The remaining interviews will take place, three by the Group Chairman and two by the Observer. The Observer will have time to read the second written exercise. (It is assumed that only the Observer need assess the second written exercise, although the Group Chairman can do so if he wishes.)
- 1.00-2.00 Luncheon interval.
- 2.00-2.30 Preparation by assessors for the final conference.

- 2.30-3.30 Final Conference.
(An hour should be enough for this considering that an hour has already been spent, first thing in the morning, discussing candidates.)
- 3.30-6.00 Report writing.
(It is suggested that only one agreed report need normally be produced for each candidate, embodying the views of both assessors. The Group Chairman will write only two of the reports to leave him time to read the Observer's reports. This allows for an *average* time of 50 minutes per report and this should be adequate for an experienced team. There may be exceptional cases, particularly where there is a difference of opinion, where two independent reports will be desirable.)

It is likely to be necessary to hold two boards in the same week and it will be more economical and make less demands on the time of the Principals who are loaned by departments if they can take place consecutively rather than with a day between. It will certainly be hard work but I do not think that with experienced teams the time-table will be found to be so exacting as the present one.

Suggested Alternative

It might be easier to extract Observers of the right calibre from Departments if they were used in units of (five-day) weeks rather than in units of four days. This would also make it possible to make the C.S.S.B. programme less cramped by allotting $2\frac{1}{2}$ days (two days or $1\frac{1}{2}$ days for the candidates) to each C.S.S.B. If each group contained six candidates instead of five, the through-put would be almost the same (forty-eight candidates against fifty over a period of twenty working days).

There is, of course, some awkwardness about $2\frac{1}{2}$ -day C.S.S.B.s, but the following might be a typical week:

Mon. 1000-1800 Group A

Tu. 0900-1600 Group A. Candidates return home.

1600-1800 Preliminary discussion and writing of notes for reports.

Wed. Group B (as Mon.)

Th. Group B (as Tu.)

Fri. Final discussion and report writing on Groups A and B.

This would give more time for reflection and would have the advantage that there would be twelve candidates for comparison instead of five at the stage of final discussion and report writing. There is more chance of at least one genuine star-worthy candidate appearing in a batch of twelve.

There would be the additional advantage with a group of six candidates that if one fell out, it would still have a group of five. Groups of four are possible but should be avoided.

*APPENDIX B***SOME NOTES ON "LOGISTICS"**

I. Without the complication of a written examination the C.S.S.B. boards could start at the beginning of January and continue until the middle of May, that is, for about sixteen weeks excluding Easter. This would probably be the period when most candidates would choose to be examined. There could be another five-week period in June and July and a third spread over the period from the end of September to mid-December.

II. Assuming that each centre should be capable of taking two groups at a time, the accommodation needed would be:

- (a) An examination room with space for ten or twelve desks.
- (b) A candidates common room.
- (c) Two Group Chairmen's interviewing rooms.
- (d) Two larger rooms for the Observers, capable of being used for the committee exercise.
- (e) An office.

III. It is important that the premises should be of a quality to give a good "image" to candidates. This seems an essential part of the "publicity" element. The staff required to serve two groups need be no more than a Secretary (Grade VII or VIII) who would have as one of his or her duties the correction of cognitive tests, and a clerical assistant.

IV. The total cost would probably be far less than the present cost of Method I and Method II combined.

MEMORANDUM No. 127

submitted by

MR. J. H. T. GOLDSMITH, C.B.E.

*Civil Service Commissioner and Chairman of the
Civil Service Selection Board, 1951-63*

June, 1967

I have been re-reading the paper which I presented to your Committee last October on the use of the "Extended Interview" technique. Since then I have read many of the other papers which have been before the Committee and I have had many discussions with Civil Servants, industrialists, scientists, etc. As a result there are points I would like to make.

- (a) The emphasis must be on "jobs carrying a higher remuneration" rather than on "cadetships". This point has been made by several industrialists whose experience shows that resentment is caused when a higher salary is offered to a recruit just because he seems "an exceptionally good chap".
- (b) To attract and retain the potential "flier" it must be recognised that the apprenticeship period can be shorter than at present and promotion quicker. It is felt that the existing hierarchy is too rigid.
- (c) That it may be unrealistic to expect Departments, at least for some years, to release high grade staff as C.S.S.B. observers. An alternative is to use young dons but, if so, it is important that they should first be given experience of Civil Service work. The dons could include faculty psychologists.
- (d) Many people at present working at C.S.S.B. advocate assessing teams of three rather than of two but this seems to me mainly due to the uneven calibre of some of the existing members of the C.S.S.B. staff and to the fact that many of them are only very occasional participants.
- (e) The decentralisation of C.S.S.B. in the way I have suggested is essential.

MEMORANDUM No. 128

submitted by

A GROUP OF MEMBERS OF
THE ASSOCIATION OF FIRST DIVISION CIVIL SERVANTS

April, 1967

The Civil Service and Government Policy

INDEX

	<i>Paragraph No.</i>
Preface	
Part I: <i>Terms of Reference for the Civil Service</i>	
Pressures and constraints... ..	4
Criteria of success... ..	9
Part II: <i>Matching Performance to Requirements</i>	
The anatomy of decision-taking... ..	13
Formulating objectives and taking key decisions	17
Collection and analysis of information and problem-solving:...	24
Organisation and analysis of information... ..	30
Collective problem-solving	32
Openness	39
Management	43
Execution of policy	46
Feedback	50
Part III: <i>Dynamics of Change in the Civil Service</i>	
An institution providing for its own evolution?	53
The profession of Civil Servant	61
Conclusion... ..	65
Annex I Summary	Page 912
Annex II Membership of the group	Page 914

PREFACE

The group which prepared this paper contains thirty-nine members of the Administrative Class in the Civil Service plus an Economist and two Statisticians. We range in rank from Assistant Principal to Deputy Secretary and in age from under 30 to over 50. We come from nine Departments and represent both sexes. Our educational backgrounds cover the humanities, mathematics, science and economics. In most respects we think we are fairly typical administrators. The names and Departments of members of the group are given in Annex II.

2. We are all members of the First Division Association, which has already submitted evidence to the Committee.¹ A document submitted on behalf of the Association as a whole had of course to avoid controversial propositions with which many members might disagree. But one of the important things complained of in other published evidence to the Committee is the lack of information about how government processes really work. It therefore seemed to us that a group of practising Civil Servants ought to comment freely on important problems in front of the Committee, so as to offer an insider's view on matters on which most of the more controversial evidence has necessarily come from the outside. What we have decided to say goes, therefore, beyond the highest common factor of agreement; as individuals we do not all accept every point, though we agree on the general approach.

3. We have so far as possible avoided ground already covered in other evidence by the First Division Association. Our subject is policy-making and its execution in the central government, though our lines of thought have wider implications in a number of places. And in this field we have concentrated our attention on those aspects where change is most necessary, at some risk, perhaps, of appearing to draw the colours over-strongly. Not all that we say, for instance, applies to every department—indeed some of our positive suggestions concern methods which are already in operation somewhere. Nevertheless, the experience on which this evidence is based convinces us that to a considerable extent the problems we discuss are general ones.

PART I: TERMS OF REFERENCE FOR THE CIVIL SERVICE

Pressures and constraints

4. The part played by the Civil Service, particularly the Administrative Class, in helping to form and execute government policy has been subject to criticism from outside the Civil Service on what appear to be three main grounds:

- (a) amateurism both in outlook and in use of techniques;
- (b) absence of creative ideas;
- (c) lack of success generally.

¹ Memorandum No. 15.

These criticisms would we think, be less convincingly grounded in future if changes in Civil Service structure and practice were made on the lines we suggest in this paper.

5. Those who make the criticisms and suggest remedies should, however, be aware of the forces which shape the Civil Service. We are not impressed with the argument, often heard, that the basic principles can be taken for granted, that everybody knows what the Civil Service is expected to do, and all we want are some reforms which will make it do the job better. On the contrary, the requirements are often confused and confusing.

6. A few examples will show what we mean:

- (a) Senior Civil Servants are expected to think about the broadest areas of policy—and at the same time are answerable both to the Minister and to Parliament for the execution of the most detailed items.
- (b) We are expected by Ministers at times to accept general lines of policy without hesitation and at other times to argue fearlessly against a course that we think inadvisable.
- (c) The Civil Service is expected to produce results within the political time-scale—which varies from five years at the most to a matter of months or even days—and yet is blamed for shortness of sight; we are expected to be loyal to the Government of the day and yet not to be unprepared when a new one takes over.
- (d) We must be “non-political” in our advice—and yet are expected to initiate and develop policies in major fields of vital interest to the public.
- (e) We are criticised for being inexpert and “out of touch” but frequently prevented from carrying out consultation with those outside the Civil Service who are “in touch” by the need to avoid either embarrassment of the Minister or the disclosure of official information.
- (f) We are criticised for bad public relations, but discouraged from contact with the media of publicity.

7. What lies behind these apparent contradictions?

- (a) *Ministers* place two major demands on Civil Servants. First, they require them to devise and operate the machinery for carrying out the policies to which the Government of the day is committed. Second, they expect to be warned of the pitfalls in these and other policy fields, and to be forearmed with developments of their policies devised to meet continually changing situations. At the same time, Ministers expect Civil Servants not to play an independent role in developing and executing policies in ways which might prejudice the Government's freedom of political action.
- (b) *The public* expects the Civil Service to provide the element of stability and continuity which must survive changes of Government and policies.

It also expects efficiency in the sense of a loyal, expeditious and well-managed response to political direction; and it demands impartiality and fairness in the application of agreed policies to individual cases. It increasingly requires Civil Servants to provide the backing for—and conceivably to participate in—the full public explanation of policies and the justification of their detailed execution.

8. Clearly these various roles expected of the Civil Service (and the constraints they imply) can pull in different, often opposite directions. Furthermore, the emphasis has shifted with time. For instance, it has for many years been the practice to defend the Administrative Class by saying that, since the reforms of the last century, it has been incorrupt, impartial, intelligent and free from nepotism. The 19th-century reforms have, however, to some extent been overtaken by events. For example, the traditional recruitment system concentrated on testing purely academic ability on the assumption that people with the best education then recognised should be able to enter the Service for a life-long career, and should have incentives to do so; now, however, the whole of society, and the Government's role, are much more complex and there are new professions, special skills, and changed educational requirements which the Service has to comprehend and adapt itself to. A more fundamental point is that the concept of impartiality has shifted so that, although it still applies in many fields, this traditional virtue might be regarded as leading to lack of involvement in pressing social and economic problems: this helps to explain the accusations of apathy, obscurantism and lack of creative ideas. But those who now criticise the Civil Service as obsolete and unimaginative must ask themselves how far they are ready to risk sacrificing any of the traditional virtues in order to attain new qualities of administration—this could lead to abuse and public outcry.

Criteria of success

9. In looking for reforms one must be sure what one is trying to achieve. Ideally one requires a simple objective criterion to test the performance of the government machine. But so wide is the range of governmental aims, and such is the difficulty of quantifying progress against some of them, that no adequate criterion can be found. We would therefore suggest that the efficiency of the government machine should be judged by its performance in each stage of the process of making and applying policies, in quantifiable terms if that is appropriate, but otherwise by more general criteria.

10. The main stages of the governmental process seem to be four:

- (a) formulating objectives and taking strategic decisions;
- (b) collecting and analysing information in ways that are relevant both to individual policies and overall objectives;
- (c) executing policies;
- (d) providing feedback mechanisms to ensure that the Executive can learn and adapt itself to new situations, so that either objectives or methods of achieving them can be adjusted if they become incompatible.

There must be a readiness to make changes to improve efficiency at all four stages. But the process must be viewed as a whole so that, for example, superficial improvements in execution are not achieved at the expense of feedback or the formulation of clear objectives.

11. The Civil Service plays a part in all these stages of decision-taking. Some people seem to think that Ministers, subject to Parliament, determine all policy and that Civil Servants are required only to carry it out. Others take an opposite view that the Civil Service makes the running and that Ministers become rubber-stamps. The truth seems to be that the programmes and doctrine of political parties (and, indeed, the pre-existing views of individual Ministers) cover a narrow field compared with the total range of problems with which a Government in office has to deal. Civil Servants cannot escape offering policy advice on a wide range of undetermined issues and, as the permanent part of the Administration, they have a duty to advise on policy going beyond the framework of existing party doctrine and beyond the term of office of a Government. Moreover, even where Ministers have stated the strategic aims, the very process of considering the means of achieving them raises issues which tend to modify them, and which only a continuous dialogue can resolve.

12. There is no question, however, of competition between Ministers and the Civil Service. The role of Civil Servants is that of enabling Ministers to take decisions over the whole field of the Government's responsibilities, with a full understanding of the implications of their decisions. Such a role is anything but passive and our submission is intended to suggest ways of making the Civil Service more effective in fulfilling it. But the purpose of any reform in the structure and working methods of the Civil Service must always be to widen the options of Ministers and to help them to do the job they want to do better.

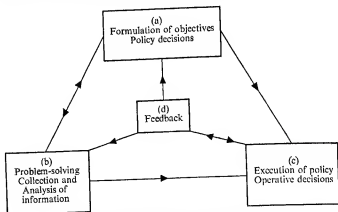
PART II: MATCHING PERFORMANCE TO REQUIREMENTS

The anatomy of decision-taking

13. In the last resort, efficiency in the Civil Service rests on the performance of its individual members; on their ability, energy, qualifications and experience and on the resources with which they are provided. Not surprisingly, therefore, much of the other evidence to the Committee has concentrated on recruitment, selection, training and career management. We, too, think these things are important, and many improvements can be made.

14. But this, by itself, will not be enough. The average level of ability in the Administrative and other Classes is already high; training is already improving. But the system at present works in such a way that, unless it is changed, there will continue to be a good deal of wasted effort. We need to analyse the system, therefore, bearing in mind that in changing it we may come up against the political and constitutional constraints of which some were mentioned in Part I,

15. We suggested in paragraph 10 that efficiency needs to be assessed in relation to four elements in the decision-taking process, whose close inter-dependence can be illustrated in the diagram below.



In a simple organisation all these functions can take place in one person. Even in a complex one it may well be desirable for thinking and action to be entrusted to the same group. Thus our diagram is not intended to suggest that different individuals must necessarily be involved at each stage of the process; and there will often be strong arguments to the contrary. To take a biological example, although the reflex system and the brain are made up differently and serve different ends, separating them off would not produce a better model of a man; equally, however, disaster would follow if one relied on the reflex system to produce original thought, the brain to take emergency action. Similar distinctions can be drawn between the requirements inside an organisation for action on the one hand and fundamental thinking and problem-solving on the other.

16. Thus execution demands clear lines of command and delegation of authority from above, while problem-solving needs multiple lines of communication and voluntary co-operation. Execution demands speed, certainty and one man on one job; problem-solving, time for analysis and reflection and a willingness to open up avenues widely even where this means two or more people looking at one thing. Many of the problems that have arisen inside the Civil Service derive from non-recognition of these different functions and requirements—the same method of working tends to be repeated for all purposes, without being fully suited for any.

Formulating objectives and taking strategic decisions

17. Setting policy objectives—taking the strategic decisions—is the key Ministerial role, and we consider here what Civil Servants can do to help

Ministers make rational and informed choices. Imprecise or unrealistic objectives will result in muddled or misdirected policies. Objectives are also necessary at lower levels of executive responsibility and for all individual Civil Service tasks—we consider that, however, in later sections.

18. The scope for party political influences to determine the definition of strategy is wide. Civil Servants can, however, help in many ways. First, they can identify and quantify needs—they can discover and verify facts and attitudes and formulate the concepts on the basis of which Ministers can themselves decide on objectives in the political sense. Secondly, they can bring into the open the implicit assumptions about objectives which lie behind all proposals or actions—when this is done the objectives may be found to be invalid or mutually conflicting. Third, the Civil Service can help Ministers to rank objectives in an order of priority when they cannot all be pursued simultaneously; or it may be possible to bring objectives and policies in several fields within a wider framework. Finally, the Civil Service can highlight objectives which are unrealistic, and which, if maintained, will only give rise to cynicism.

19. The research and thinking which must be carried on in the Civil Service in order to provide better advice to Ministers on these questions is discussed under the heading "Collection and analysis of information and problem-solving". But it is not a separate process—Ministers need to be involved in it. The interaction between Ministers and Civil Servants on the fundamentals of policy is, however, inhibited by the special problem of Ministerial time.

20. In part, the load falling on Ministers is simply the result of the speed and complexity of life today and the change during this century in the public's attitude towards the Government's role; Governments are expected to have a view on, and indeed interfere in, everything, and their involvement has to be a fast and competent anticipation of situations which continue to increase in technical depth and range. In part the excessive load can be attributed to the traditions governing Ministerial answerability, coupled with the penalties of continuous party political confrontation in a mass-media democracy; Parliament, the public, and the Civil Service itself have a way of requiring Ministers to attend to day-to-day matters which are urgent rather than important, and seemingly no Minister can afford to be caught unprepared or admit to a mistake. The volume of work which Ministers have to get through late at night is appalling and, however great the stamina of individuals, fatigue is bound to take its toll in some cases. Collectively too, when everything is the Government's business, there comes a point beyond which it is impossible for a Cabinet to control the details of discretionary action. These problems have been with us certainly since 1945. It is necessary both to lighten the load and to equip Ministers better to bear it.

21. A view is current that a Minister would be better equipped if he were free to reinforce his Private Office with special political aides, to help him to keep in touch with the policy-making process and to transmit his impulse to his Department. This suggestion is sometimes based on an analogy with France, though this is not a great help because many of the essential features of the two political systems are different, and in fact the French "cabinet" consists largely

of people who are career Civil Servants. In the British context, if there is a problem of communication between Ministers and officials on the basic subject-matter of departmental policy, the appointment of special expert advisers could help towards a solution—we discuss these “irregulars” in paragraph 42. So far as the secretariat function, however, is concerned (perhaps one of the things the traditional Civil Service is best at), the introduction of extra political cogs in the machine would not necessarily make it work better. We do not object to this idea on doctrinal grounds (though, depending on the proposal, there could be serious implications for the Civil Service); and the greater “openness” we advocate in paragraphs 39–42 would facilitate it. We think, however, that a more fundamental solution to the problem of Ministerial time for involvement in policy work is called for.

22. The load could, for instance, be lightened not only by devolution of executive functions, as is discussed under the heading “Execution of policy”, but also by reducing the boundaries of Ministerial responsibilities through re-allocation where they overlap with those of other Ministers or public authorities. More formal delegation of some executive responsibilities to junior Ministers is also possible. Furthermore, the better mechanisms discussed under the heading of “Feedback” would reduce the load by enabling the emergence of potentially political problems to be recognised before they become “alive”.

23. Finally, in doing work which cannot be delegated or prevented from arising, in particular in taking major decisions, Ministers would be assisted by the changes in Civil Service practices suggested in the next section. These would not only produce better advice, but would make it easier for constructive exchanges to take place, uninhibited by formal responsibilities, within a more flexible pattern of relationships.

Collection and analysis of information and problem-solving

24. Successful large-scale decisions depend on the ability of an organisation to think; that is, to decide what information and analyses it needs (and by when), and to make the best use of them when they are obtained. It is from developments in systems for collective thought that some of the really big advances in the productivity of government are to be obtained.

25. Policy-making and problem-solving require depth of analysis on the one hand and co-ordination on the other, neither of which is adequately provided in our present structures. These have been made partly to fit executive needs; thus, the hierarchic pyramid within which present thinking is done is dictated largely by the need to feed information up and down quickly and for anything coming in from outside to find a well-defined location. By and large, the resulting system is highly compartmentalised, with those who have the responsibility for advising on policy also having heavy executive responsibilities which restrict the size of the field they have time to cover. Formations are field-orientated, rather than task-orientated; individuals are asked to cope with whatever arises within a “block of work”, to deal with their in-trays rather than being given clearly-defined issues to consider and programmes to carry out; involvement in particular questions is, therefore, patchy.

26. Co-ordination is provided in two main ways: inside a given pyramid, by submission upwards through various levels, with each level having that much less time and detailed knowledge to consider the implications; otherwise by committee, where the wider the problem, the more members it will have, and where each will be there essentially to look after a particular interest. The pattern is further complicated by the practice of employing specialists of various kinds in separate pyramids which have to be co-ordinated at the top, where the detailed knowledge is least, if there is not integration of thought at intermediate levels.

27. Thus, when putting forward comments or proposals, people can easily expose themselves to criticism for out-running their own particular responsibilities: their ideas are liable to be defective in detail from lack of knowledge of another hierarchical box (which may well be in another department), or cannot be worked out fully for lack of authority. Although the boxes are narrowest at the bottom, the impediments caused by compartmentalism extend to very high levels. To these must be added features arising from the structure's basic executive purpose. Concentration on timing, tactics, immediate problems and accurate drafting may all take precedence over strategy. Thus even when there is the potential for agreement, the framework may prevent it from emerging, and the more major the proposal, the more likely this is to be true. With thought thus stunted, an organisation of intelligent and lively individuals may come to resemble an intellectual desert through which only the most powerful and experienced personalities are likely to find a way. Obviously, this is not universal; but, where it occurs, there is also danger of large-scale misallocation of the nation's efforts and resources.

28. If all the work of Government fell into neat, foreseeable patterns, so that the shape of the system corresponded exactly with the way in which problems arose; and if, at all levels; problems were fully understood and could be clearly described in language which conveyed the same meaning to everyone; then the system would be adequate for both policy-formation and execution. But such a picture of Government has become progressively less true over the years. Many great problems are not suitable for being split up neatly and distributed amongst the executive compartments; nor are they susceptible of immediate solutions by the application of clarity of language, common sense or even determination. They require unity of treatment, time for consideration, rigorous intellectual analysis, the systematic assembly of adequate information; and the construction, eventually, of a framework which has been able to stand up to prolonged testing through uninhibited argument from a number of different directions.

29. We do not suggest that all hierarchies co-ordinated by committee should be dispensed with; in spite of preconceptions to the contrary, they can provide speed and flexibility, as well as system and orderliness, in conveying information and enabling decisions to be reached. What they are bad at is study and thinking in depth. We therefore need to find ways of getting problems more adequately tackled and bringing to bear on them the assets of experience and creativity which already exist, without destroying the framework of hierarchically fixed jobs within which the execution of policy needs to take place, and through the existence of which the assets of knowledge and experience have been built up in

the first place. Some suggestions follow for changes in method which could be tried, or tried more widely.

Organisation and analysis of information

30. Research still needs to be given a more prominent role in policy-making. It need not be done inside Government. But it should be planned in conjunction with policy work and precede decisions. The synthesis between research and policy-making must actually occur: too often they proceed independently of each other or in the wrong order.

31. Secondly, there is the need for the radical reform of the scope and methods of information gathering, selection, analysis and presentation, which has been made possible by computers; it seems likely that this will imply an upheaval of the present compartmentalised approach. Present filing systems probably bring to bear only a small part of the relevant information already in the hands of the government.

Collective problem-solving

32. One way of giving research and problem-solving greater emphasis is to have units devoted specially to this. To take the extreme case, it could be a whole department with a Ministerial head, e.g. the Department of Economic Affairs, which brings under one roof consideration of the objectives and methods of many different departments insofar as these affect economic growth. In general, however, the proliferation of departments to deal with particular problems at particular times would be an expensive way of using available manpower and would also blur the lines of Ministerial responsibility—indeed we have suggested in paragraph 22 that the present situation calls for simplification.

33. Within departments, however, multi-disciplinary research and policy-development units should be more widespread, feeding material and policy recommendations in at the various levels where decisions or analyses are required. The research/problem-solving side of a department might be organised as an entity or in separate task-forces linked more closely to the administrative structure or in a mixture of these ways.

34. Problem-solving units will need to work on the team principle, going into questions in sufficient depth and freedom to produce syntheses—in a committee system on the other hand, inconsistencies do not always get resolved, and in a hierarchy one person's views get substituted for another's as questions go upwards. The team will be required to produce assessments of situations, analyse facts, bring in special expertise, test hypotheses and formulate general proposals. To a substantial extent it might be possible to give the considered reports of problem-solving units a wide circulation within departments and beyond, thus stimulating and bringing to bear the collective wisdom and experience.

35. Teams can be made up, at least in part, with people taken temporarily full-time or part-time from their executive jobs. This is an obvious way of integrating research and decision-making, enabling the policy element in a field of work to be tackled properly. Furthermore, there is evidence from the

business world that the effectiveness of individuals in their executive capacity may also improve when this happens.

36. A variant of this is to use seminars as a tool for identifying problems and indicating the lines of study necessary for solutions. Ideas may have been evolving in the minds of a number of people, but in too inchoate a form to develop into general hypotheses without stimulation, opportunity for discussion and co-ordination. Seminars will help to prevent the lazy repetition of the departmental line. They should not be allowed to develop into mere talk-shops—high-level officials with powers to get further studies made and things done should be there to pick up suggestions and hand them out for development, either within the group or by the research unit if the department has one. In this way, once again, research can be tied in to decision-making and a safety net provided for the useful lines of thought which would otherwise be quite unproductive.

37. Yet another possibility is to replace some committees not by teams, but by individuals—who might be given the task of consulting all affected parties (regardless of rank); a procedure of repeated dialogue would be more likely to get to the roots of a problem than a committee. Individual assignments could also be used as a means of coming to grips with information or expertise outside the Civil Service to a greater extent than current practice today; a lack of manpower is a reason sometimes given for keeping people tied to desks—but this is self defeating.

38. It would be implicit in these new methods of working that individuals, even though to varying extents still hierarchically positioned in relation to each other, would be given problems to study in depth, and time and resources with which to do so. They would carry a higher degree of responsibility than at present for the result, and would correspondingly spend less time in doing again each other's more superficial work. Thus there would be fewer people in a vertical line actually operating on any one topic; "jumping" would be more usual (i.e. an officer working direct on part of his field to someone above his immediate superior) and it would be possible to leave some of the gradations of rank out of some of the hierarchies altogether.

Openness

39. All our suggestions should be combined with a greater willingness to be open about the information that is available to Government and about the way in which it is analysed in relation to policy objectives. Much of the work of central Government has no essential security implications, and in these fields both Government and the general public could benefit from franker discussion of the issues involved—indeed this is essential for the future of democracy.

40. A change in practice will often require a change in formal arrangements. In any case, with Government becoming more complicated, the traditional channels for external communication are no longer adequate. A democracy in a technocratic age needs ways of drawing in opinion which is both well-informed and representative, i.e. not just the property of pressure groups. The National Economic Development Council and the regional organisation of the Department

of Economic Affairs are attempts at this new approach. The current development of Parliamentary Select Committees is also to be welcomed as a step in this direction, and one which will help to ease transitions from Opposition to Government.

41. Openness would both facilitate and benefit from an increased two-way movement of individuals in and out of the Civil Service, both on short-term assignments and permanently. At the same time specific appointments of outsiders might be less necessary, since there would be less difficulty than at present in incorporating them into the policy-thinking machinery while they remained in other jobs.

42. One particular type of temporary appointment, the political trusty or "irregular", has caused a good deal of comment. Here, too, greater openness in general would enable this question to be seen in perspective. We recognise that Ministers may well wish to have close at hand people who can provide not only expertise in the subject matter of departments, but also sympathy in ideas and outlook born of previous personal and political association. In conditions of mutual frankness such advisers have both contributed freshness and knowledge and also have become fully integrated in departments while still fulfilling their personal function *vis-à-vis* the Minister. The work and advice of these special appointees should, however, be as open to departmental examination and criticism as the department's is to theirs: this is clearly a cardinal requirement in our whole discussion of policy-making. There would also, of course, have to be a means of controlling numbers and terms of service if the defects of a spoils system were to be avoided.

Management

43. The need for creativity has been stressed. In the Civil Service, as elsewhere, however, originality is largely a matter of bringing together and combining in new patterns knowledge and experience which is already obtainable. The proposals we have made for new methods could easily degenerate into chaos if we do not have managers capable of keeping a grip on these complex and often mobile patterns of intellectual activity. This demands some of the most rigorous thinking of all, combined with authority and experience.

44. Senior Civil Servants should therefore be more concerned than they normally are today with the actual mechanics of policy-making—ensuring that someone, somewhere, is bringing relevant questions to the surface, testing hypotheses and putting forward viable solutions. Hierarchies must not be allowed to develop veto bottlenecks. Co-ordinating committees should be reserved for the jobs they do well. Where teams or individuals are given particular research or problem-solving tasks the selection and training of personnel—to get the right blend of knowledge, experience, inventiveness and administrative sense—is vital. Equally, the system may need adapting to individuals. The whole machinery presupposes controlled flexibility in structure, working relationships, grading and career planning.

45. In order to perform this management role successfully, senior Civil Servants will need to be relieved of much of the day-to-day pressure imposed by

the political system. They will also need not only training themselves, but also expert assistance. So far, the methods of management consultancy have been applied surprisingly little to the policy-making function in Government.

Execution of policy

46. The decision-making machinery is cluttered up at the highest levels with questions which many people would regard as trivial. Here the hierarchy should come into its own: execution requires stratified responsibilities, each level providing by its decisions the objectives and policy on which the level below will operate. We have hierarchies, but the responsibilities are not clear. Ideas and suggestions are fed upwards when, in a more rational system, decisions would be taken and communicated downwards. This again stems from the confusion between policy-making and execution—in this case the need is to recognise a specifically executive function in organisations which believe their role to be "policy". One tends to look upwards, to regard prospects, careers and interest chiefly as a matter of submitting briefs for superiors (often on how to cope with a crisis) instead of perfecting the mechanisms below so that crises are less likely to develop.

47. It is in the execution of policies, above all, that politics and the constitution influence organisation, attitudes and practices. Improvement depends on systematising the procedures for correcting abuses by the Government, as is done in many other countries—here all lapses, however small, find their way, direct and unprocessed, to political levels, and in some cases the effort for formal perfection may be inimical to efficiency in the main objective. Many of the difficulties would disappear if formal devolution were possible, either within Ministries or, as in Sweden, to new Executive Boards. Ministerial responsibility would remain, in that Ministers would have taken the lead in devising the framework within which the devolved responsibilities were practised. This devolution would, however, need to be accompanied by additional safeguards against error. These might be achieved by extending the scope of a Parliamentary Commissioner or by strengthening the House of Commons Committee system to give Parliament more information about the preformance of the Executive; in some circumstances, however, these arrangements could increase the difficulties of execution.

48. Subject to the political element, execution in the Civil Service is not fundamentally different from execution anywhere else, except in scale. In some fields it is excellent, particularly where terms of reference are clear and settled. In others, a good deal could be learnt from the systems of "programmed management" set up by the more efficient industrial firms. Such organisations typically establish a planning framework within which much authority is delegated to sub-units: these are clearly defined and are set demanding (though realistic) objectives against which their performance is judged. Objectives do not have to be dreamed up from on high: they can be evolved co-operatively. In many fields satisfactory criteria can be applied without too much difficulty; international and other comparisons can help. Discretion on *how* objectives are carried out should be left to the individual concerned, and his superiors should not take this over unless they are prepared to assume his responsibility.

49. Linked to executive organisations there should be groups specialising in studying and perfecting the techniques by which information is stored and by which operations are efficiently carried out, in order to ensure that decisions can be taken in accordance with the objectives and implemented with the speed and certainty (or probability) provided for when they are taken. This involves techniques such as network analysis, linear and non-linear programming, statistical decision theory, cost-benefit analysis and programme budgeting.

Feedback

50. Decisions by themselves do not secure objectives. A check is necessary on whether the policy and its objective remain in harmony—one or other needs to be continually modified in the light of it. This is what we mean by feedback. The Civil Service does not always provide it; instead, reliance is often placed on the political system to operate the checks, but it cannot reliably do this outside certain sensitive fields. Thus problems are sometimes unrecognised until they become serious.

51. The organisational requirements which we have discussed for policy-making on the one hand and execution on the other will not by themselves ensure feedback. Policy-making leads up to a decision, execution flows down; in both cases attention focuses on the decision itself. Policy-making involves concentration of energy on single problems at a time, execution includes disposing of an "in-tray"; in neither case is there necessarily a continuous review over the whole field of how policies are working, whether the basic assumptions on which they were decided are still valid, and whether the methods of execution are still appropriate.

52. The first essential for feedback is thus that there should be good monitoring of developments and attitudes, using information from case-work, from other government sources, from Parliament and its Committees, and from the outside world; this should point out signs of divergence between the objectives and the execution of policies. When such a problem is recognised, it can be more fully investigated and solved by the machinery already discussed—the important thing is accurate and early recognition, and for this special arrangements need to be devised. These are already developed in some fields—but it should be axiomatic generally that no decision on policy is complete without specific provision for feedback.

PART III: DYNAMICS OF CHANGE IN THE CIVIL SERVICE

An institution providing for its own evolution

53. A more general aspect of feedback is the need continuously to test the efficiency of the governmental processes of policy-making and execution, and to be ready to adapt the Civil Service to change without having to wait for a Royal Commission or similar review once in a lifetime. We want an awareness that this need exists, and machinery both for getting broadly-based agreement on changes and for actually adapting systems and organisations.

54. Many Civil Servants have been aware and critical of faults, but have felt restricted in commenting on them because wider Ministerial and Parliamentary

interests and responsibilities were involved. Ministers may also have been dissatisfied, but reluctant to take an initiative in radical reappraisal which might have challenged fundamental constitutional values and relationships. At this point we are therefore once again brought back to the dilemmas discussed in Part I.

55. In over-simplified terms, other organisations like business firms can make radical revisions of structures and systems because they operate within a framework of limited objectives and corresponding managerial powers, whereas the framework for such revision within which Government operates is nothing short of the whole body politic. Worthwhile change must involve relations with Parliament, local government, political parties, industry, and so on. We think the idea should be examined of setting up some kind of standing body, representative of these main interests, which could consider broad questions of Civil Service organisation, systems and procedures. An Advisory Board is one possibility, linked in a suitable way with the Central Management Organisation which has been advocated in other evidence (including that of a First Division Association). Illustrations of the kind of problem which such a body might have handled are anonymity and openness in the Civil Service (including an objective evaluation of how far policy decisions may have gone wrong through lack of openness, and what the costs of that were); the case for a Central Management Organisation itself and its implications for departmental autonomy and Ministerial answerability; and the consequences for the Civil Service of developing the scope of Parliamentary Select Committees.

56. The central management of the Civil Service, whether or not headed or advised by a representative Board as suggested, should sponsor systematic and continuous research into the working of organisations. One technique for this is historical analysis, which has already been developed by the Government itself as a tool for throwing light on how methods of decision-taking affect success (or lack of it)—this is, however, only on a small scale and the implications for structure and style of working have not yet been fully pursued. There are other techniques, not yet used in Government here, which adopt social science research methods for comparing the merits of different systems of management and evaluating such things as the effectiveness of communications systems, the extent to which the activities of groups correspond to the goals they are set and where the crucial points of decision-making really occur. The studies based on these techniques, though they cannot yet be taken as conclusive, appear to upset many assumptions which have been taken as more or less axiomatic in the Civil Service, and to support much that we say, for instance on hierarchies and delegation. These are, however, just illustrations; the need for research goes a good deal wider—the aim should be to unify the work which is being done in the different fields of psychology, sociology, management science and cybernetics, and to examine, by empirical testing, how hypotheses drawn from it apply to the effectiveness (and costs) of government organisations.

57. The central management will need power to carry out these analyses, to experiment in new forms of organisation and to ensure that experiments successful in one quarter are tried elsewhere without the long delays which have sometimes occurred.

58. This strengthening of the central power could, we think, be matched by greater delegation of detailed management responsibilities to departments and within departments to branches. Alongside clearer definition of the job to be done, there would be recognition that part of any job is to ensure that the machinery for it is effective, and discretion in achieving this should be allowed. The role of higher organisations and of the central management itself should be setting objectives for performance, reviewing whether discretion had been exercised so as to achieve success, and exercising the power to put things right when organisations fail.

59. The distinction between the different roles of the Civil Service requires not merely particular forms of organisation but also particular people. The more traditional books on the Service stress the need for intelligent and literate people who get on well in groups. Important as these qualities certainly are, others are valuable too. The system should, for instance, protect and encourage innovation. In some posts one wants the entrepreneur who has the courage to experiment and take risks. At the other end of the range of personal qualities, there is a place for people whose contribution is thought rather than action—they should not have to spend their time climbing ladders, but should be adequately recognised and paid for doing an essential and very satisfactory job. Rough edges also have their uses as well as smooth ones.

60. The central management will therefore need to be as concerned with the criteria and methods of personnel assessment as with other aspects of organisation. It may, for instance, be appropriate, at managerial level, to supplement the present system of superiors' reports with annual visits from a central team. At the very least a thorough examination is required to ensure that the qualities encouraged at the bottom are in fact those said to be wanted at the top.

The profession of Civil Servant

61. The discussion has thus come back to people in the end. The fostering of professional standards in individuals is the essential counterpart of institutional change—one will be ineffective without the other. A profession presupposes knowledge and a common ethos. We need to build on both.

62. First, it is important that professional knowledge should be empirically based. Political decisions are bound to some extent to require intuitive judgement, since there is often no other way of dealing with the problem of uncertainty. It is the function of Civil Servants, however, to put judgement in its proper place by extending the area of expertise and knowledge. The scientific method applies in this field as in others:

- (i) formulation of hypotheses;
- (ii) logical deduction of conclusions from hypotheses;
- (iii) testing of conclusions for consistency internally and with empirical observations;
- (iv) revision of hypotheses in the light of tested conclusions.

The formulation of useful hypotheses requires intuition and judgement; but these should be consistent with empirical knowledge. The logical and experimental steps of the process can be assisted by mathematical and other techniques. It is, however, the approach which is important. Thus, in this paper, we have been less concerned with particular proposals (other people may have better ones), than that experiments should take place, the conclusions be applied and solutions be revised as knowledge changes.

63. Secondly, based on this empirical approach, Government needs expertise. Many of the skills required are linked to professions outside Government. It has been emphasised, however, that policy-making is a matter of combining in new ways points of view and sources of knowledge which have not previously been usefully related to each other. The Government is uniquely placed to do this. The profession of Government is therefore something more than the agglomeration of separate specialisms—mutual comprehension is as important as the specialisms themselves. Those who show the greatest aptitude and desire for work which crosses two specialisms, or half a dozen, may in some ways resemble the present Administrative Class, and, with increasing specialisation generally, will certainly be more necessary in future. But the controversy between generalists and specialists will seem out of date: expertise in his own field and in techniques relevant to it will be expected from everyone.

64. Finally, individuals will require fearless integrity if the professionalism in method and knowledge which we have been advocating is to be a reality and is to produce results in the face of the many pressures to which Civil Servants are subject. This strength of purpose is, however, likely to suffer unless there are accepted standards of professional practice to act as a goal and a criterion for individuals when they make decisions or engage in policy work. The trouble is that, while amateurism has been quietly dropped, the professionalism to take its place has not yet been developed. Good management can help: the need for clarity about terms of reference has been a constant theme in this paper. Training also can foster a common approach to professional problems. In addition, there appears to be a need for a professional forum, which could be a testing-ground for ideas about new methods and, in many fields, new policies. This would help to bring the Civil Service closer to, and at the same time stimulate, the study of government in universities. It is only in ways such as this that a consensus of view will emerge about what the profession of Civil Servant actually demands.

Conclusion

65. We have made many criticisms of the way in which the central Governmental functions of policy-making and execution are carried out. Although everything can be brought back to individuals in the last resort, we think that, to a great extent, the defects we have diagnosed are basically those of the system, in some cases with constitutional implications. We have therefore confined our discussion in the main to Civil Service structures and how they operate, though no reform would be complete which did not take account of the need to develop the professional competence of individuals.

66. Policy work is always said to be a major function of the Civil Service and, if Ministers, Parliament and the nation are to be served, it must remain so. Our thesis has been that it has not been fully recognised in operation and managerial practice. The Civil Service must therefore equip and adapt itself accordingly.

67. At higher levels the management of policy-formation should be a primary role; the definition of objectives, adaptation of the organisation and monitoring of progress should assume a larger place. At lower levels, teams with clear policy-making objectives should operate in ways that still seem unorthodox. Since those with policy-making responsibilities (at all levels) need time, ways must be found to enable the day-to-day execution and overseeing of Government policy to be carried on without obstructing the formation of new policy. This will undoubtedly require structural changes in departments, as well as new concepts of individual and divisional responsibilities.

68. It is unlikely that a single structural solution is the right one for all departments; it is equally unlikely that all departments will see their best solution for themselves. We see a need for a central management organisation to procure these changes; to ensure that objectives are clearly defined, that techniques are tamed and used to their full potential, that performance is appraised, and the lessons are learnt from successes and failures in the policy-forming process. The organisation would help to build that empirically based know-how that characterises a real professionalism.

69. Under these conditions, we believe that Ministers would have a wider range of sound policy options to choose between, and Parliament and the nation would have both a more certain place in the formation of policy and a greater assurance that Government policies would successfully carry out what they wanted.

ANNEX I

SUMMARY

PART I: TERMS OF REFERENCE FOR THE CIVIL SERVICE

1. Ministers and the general public expect Civil Servants to play various roles, implying constraints that pull in different, often opposite directions. In looking for reforms one must be sure what one is trying to achieve. We suggest that efficiency should be judged by examining separately performance in formulating objectives, collecting and analysing information, executing policies, and feedback. Civil Servants have an important part to play at all these stages (paragraphs 4-12).

PART II: MATCHING PERFORMANCE TO REQUIREMENTS

2. Different methods are required for efficient performance at each stage of the decision-making process, and many of the problems that arise in the Civil Service derive from a failure to recognise these differing requirements (paragraphs 13-16).

Formulating objectives

3. Setting objectives is the basic Ministerial role, but the system must ensure that Ministers are in a position to make rational choices. This involves providing them with better advice and lightening their excessive workload (paragraphs 17-23).

Collection and analysis of information and problem-solving

4. The Civil Service's hierarchical and compartmentalised structure is not suited for solving the more fundamental problems of government and analysing them in depth (paragraphs 24-29).

5. Research needs to be given a more prominent role in policy-making and must be closely linked with it. Modern techniques for gathering, selecting, analysing and presenting information will require an upheaval in present compartmentalised systems and will make it possible to bring a greater proportion of relevant material to bear on current problems (paragraphs 30-31).

6. Departmental research units should be more widespread. Integration with decision-making would be helped by withdrawing people from executive hierarchies to work temporarily in problem-solving teams. Seminars could be used as a tool for identifying problems and indicating the lines of study necessary for solution. Individual assignments could be used as a means of coming to grips with information or expertise outside the Civil Service or tackling more fundamentally the information already available inside it (paragraphs 32-38).

7. There should be more openness about the information available to Government and the way in which it is analysed in relation to policy objectives. Forms of consultation with informed and representative outside opinion should be developed. More openness would make it easier to absorb outsiders into government and at the same time make specific appointments of outsiders less necessary. If Ministers wish to appoint special political advisers, their work and advice should be as open to departmental examination as the department's is to theirs (paragraphs 39-42).

8. Senior Civil Servants should be more concerned with the management of the policy-making process (paragraphs 43-45).

Execution of policy

9. Execution would be improved by delegating more authority both within and outside Government departments and judging performance against clearly defined objectives. But greater delegation should be accompanied by additional safeguards against error or abuse (paragraphs 46-49).

Feedback

10. Either a policy or its objective must be continually modified if the two are to remain in harmony. It should be axiomatic that no decision on policy is complete without specific provision for feedback (paragraphs 50-52).

PART III: DYNAMICS OF CHANGE IN THE CIVIL SERVICE

11. Changes in the framework in which government operates involve the whole body politic. A standing, representative Advisory Board on the Civil Service should therefore be considered (paragraphs 53-55).

12. The central management should sponsor research into the effects of organisational structure on efficiency in Government and should have powers to try experiments and to implement forms of organisation. It should, however, ensure that detailed responsibilities are more thoroughly delegated and that individuals are chosen and assessed in relation to the nature of the work they are expected to do (paragraphs 56-60).

13. Organisational changes will be ineffective unless a new professionalism is developed on the basis of a scientific, empirically based, approach to administration. Professional integrity involves adherence to generally recognised standards of knowledge and practice—these standards need to be developed as a result of discussion between Civil Servants themselves (paragraphs 61-64).

14. Policy work is a major function of the Civil Service and will inevitably remain so. Changes in structure and methods of working, to be worked out on the lines suggested in the paper, would, however, give Ministers a wider range of sound policy options to choose between; they would also provide for Parliament and the nation a more certain place in the formation of policy and a greater assurance that policies would successfully carry out what they wanted (paragraphs 65-69).

ANNEX II

LIST OF SPONSORS

The names of the sponsors of the paper are given below in alphabetical order.

Mrs. G. T. Banks	H.M. Treasury
Mr. J. A. G. Banks	Department of Education and Science
Mr. R. A. Browning	Ministry of Overseas Development
Mr. J. H. Chapman	Ministry of Power
Miss A. M. Constantine	Ministry of Housing and Local Government
Mr. G. F. B. Corti	Department of Economic Affairs
Mr. R. Croft	Department of Economic Affairs
Mr. N. S. Despicht	Ministry of Transport
Mr. I. S. Dewar	Ministry of Labour
Mr. P. V. Dixon	H. M. Treasury
Mr. D. N. Forbes	Ministry of Defence
Mrs. E. H. Gibson	Home Office
Mr. P. L. Gregson	Board of Trade
Mr. A. Grey	Department of Economic Affairs
Mr. J. A. L. Gunn	Ministry of Transport
Mr. T. W. Hall	Cabinet Office
Mr. J. H. Holroyd	Ministry of Agriculture

Mr. G. Hopkinson	Ministry of Transport
Mr. A. R. Isserlis	Ministry of Housing and Local Government
Mrs. P. M. B. James	Department of Economic Affairs
Mr. P. J. Kitcatt	H.M. Treasury
Mr. M. Kogan	Department of Education and Science
Mr. I. H. Lightman	H.M. Treasury
Mr. D. F. Lomax	Department of Economic Affairs
Mr. J. C. Mather	Board of Trade
Mr. P. E. Middleton	H.M. Treasury
Mr. D. H. Morrell	Home Office
Miss A. E. Mueller	Department of Economic Affairs
Mr. A. K. Ogilvy-Webb	H.M. Treasury
Mr. A. W. Peterson	Department of Economic Affairs
Mr. R. H. S. Phillips	Ministry of Housing and Local Government
Mr. P. L. Read	Ministry of Power
Mr. C. W. Roberts	Cabinet Office
Mr. W. S. Rylie	H.M. Treasury
Mr. J. F. Slater	H.M. Treasury
Mr. A. Swabe	Department of Economic Affairs
Mr. J. W. Vernon	Department of Economic Affairs
Mr. C. R. Walker	Board of Trade
Mr. J. R. Walley	Ministry of Power
Mr. E. Wright	Ministry of Power

MEMORANDUM No. 129

submitted by

MR. L. J. HARRIS

Assistant Principal, H.M. Customs and Excise

November, 1966

Introduction

1. This memorandum is presented to the Committee by one of the junior members of the Administrative Class in the Secretaries' Office of H.M. Customs and Excise. It does not attempt to cover the whole field under review by the Committee, but rather to deal specifically with the proposals for a merger of the present Executive and Administrative Classes put forward by the Treasury¹ and supported, with certain reservations, by the Association of First Division Civil Servants² in paragraphs 8-11 of the evidence which they presented during September. The misgivings which are expressed about these proposals in the remainder of this paper are shared by many members of the Administrative Class, but it is not, of course, claimed that the arguments advanced are in any way indicative of the official views of the author's own department or of the personal opinions of its individual members.

The division of work in the Civil Service

2. The work of the Service falls into three broad categories. The first of these—the evolution and implementation of public policy—is briefly dealt with in the third and fourth paragraphs of the First Division Association's evidence. Its character is largely determined by the nature of the relationship between ministers and their permanent staffs, and any detailed examination of it would require a searching review of the whole question of the democratic control of the executive machine. The second type of work consists of the day-to-day application of predetermined policy in individual cases, and the third category of the performance of general clerical routines. These three blocks of work are assigned to three Classes selected by competitive examination from a field determined largely by academic qualifications. The division of the Service into Administrative, Executive and Clerical Classes is a functional one, and although this structure may once have had social overtones (to the extent that higher education has in the past tended to be the prerogative of the middle and upper classes), any criticism today that the Civil Service is dominated by "class-consciousness" would appear to be based on a semantic confusion. It is, nevertheless, a commonly employed argument, and carries with it the danger that any proposal for unifying the three classes may appear to be a much more radical step than in fact it is. The main purpose of what follows is to argue that the admitted shortcomings of the present are accretions on the basic tripartite

¹ Memorandum No. 1.

² Memorandum No. 15.

structure rather than necessary consequences of it, and that to abolish the functional distinction between the various types of work would at best be an irrelevancy which, if it were used as a substitute for less spectacular but more fundamental changes, could seriously and permanently damage the quality of public administration in the United Kingdom.

The work of Principals and Chief Executive Officers

3. The common starting point for most proposals for a merger of the present Administrative and Executive Classes is the close similarity of the work performed by Chief Executive Officers and Principals. It is undeniable that in the great majority of cases an impartial observer would be hard put to it to distinguish between the two ranks on the basis of the work performed by each and, in the absence of any background information, might well conclude that the existing distinction was a purely academic one. It is, however, important to take into consideration the steps which have led up to this situation. The Service-wide shortage of Principals has in the past led to Principal posts being filled by the promotion of the ablest Senior Executive Officers either direct to Principal or to a Chief Executive Officer post to which the work formerly performed by a Principal has been transferred. The logic behind the choice between the two different avenues of promotion has not always been clear, but the result in each case has been the same—that Administrative positions have increasingly come to be filled by the most experienced managers from the Executive Class, whose approach to policy-making is inevitably coloured by their outlook and training as executors of a set policy. A second and perhaps more important outcome of this process has been that the loss of the best members of the Executive Class has led to some devaluation of the post of Senior Executive Officer, so that there has been an increasing tendency for decisions to be passed upward to Principals. In consequence, most Principals' work now contains a substantial Executive element. This in turn means that Administrative work proper has to be spread over a larger number of posts, so that in the long term the shortage of Principals is perpetuated and a vicious and ever-expanding circle is created. Unless it is seriously postulated that this extremely inefficient use of highly-paid staff is in the overall interests of the public service, the problem is one which would only be exacerbated by the amalgamation of the two Classes. A possible solution is suggested below, but for the moment the important point to note is that the lack of clear distinction between the work of Principals and that of their Executive counterparts can more plausibly be attributed to the exigencies of staffing than to the nature of the work itself.

Effect on graduate recruitment

4. Despite what has been said above, a unified structure would be justified if it could be demonstrated that it would be instrumental in increasing the recruitment of the best honours graduates into the Service. Those who now join as Assistant Principals are selected by a highly competitive examination from a field made up of first and second class honours graduates. The natural disposition of the majority of these graduates is probably towards an academic career, and the Civil Service emerges as a serious competitor only because it appears to offer an intellectually exacting discipline coupled with the opportunity to take part in the shaping of national policies. The balance between the

possible choices is a very delicate one, and in many cases the deciding factor is a financial one (the attraction being the virtual certainty of promotion to Principal by the age of thirty, rather than the immediate monetary rewards, which are not outstanding). The word "élite", used by the First Division Association, is a little unfortunate, suggesting, as it does, social factors; it is truer to say that a new graduate of the type likely to succeed in the Open Competitions is in possession of a qualification of some value which he is anxious not to waste in any employment where it is not really necessary. Most new Assistant Principals pass through a period of disappointment when they feel that the work given to them is well below their real capacities. It is endured only as a prelude to the next stage in their careers, but it is arguable that it does at least offer them a chance to work closely with those responsible for taking major policy decisions and so to learn the techniques of administration at first hand. To attempt to recruit these graduates at a level corresponding to that of Higher Executive Officer, with the prospect of several years to be spent in the application of a policy in whose evolution they have no likelihood of being involved would, to judge from the information available, be doomed to failure. I personally would have had no interest in joining on such terms; nor would any of my departmental Assistant Principal colleagues; nor—more important for the future—would most of the undergraduates who periodically visit our Department to study the Civil Service as a graduate career.

Effect on Executive recruitment

5. It is also doubtful whether recruitment at Executive Officer level would be improved by the Treasury proposals. The career structure of the Class is admittedly poor, but it is at least fairly predictable, and those recruited as Assistant Principals in no way impede the promotion of the average Executive Officer. Under a unified structure of the type suggested, the "A" level recruit's position would be depressed by the ordinary graduate recruit, whose hopes would in turn be frustrated by the "starred" graduate recruit. There is a serious danger that this would embitter relations throughout the structure; it would damage recruitment at all levels; and it would vastly increase the already difficult problem of retaining staff against competition from industry. There will, of course, always be the case of the outstanding man or woman who, for one reason or another, leaves school after "A" level, but it will be argued later that provision can be made both for utilising this type of officer's talents to the maximum and for improving the average Executive Officer's prospects without overturning the whole structure.

Higher Executive management

6. It follows from the argument advanced in paragraph 3 above that Principals can only be used with the maximum efficiency where there is an adequate, trained, and independent management of Executive work. The criteria for selecting staff for this function are different from those for choosing Administrative staff; experience is one fairly obvious example of a qualification which is of much greater importance in the former than in the latter case. But the function itself is a key one in the efficient running of the public service, and should be recognised as such by the creation of many more Chief, Senior Chief, and Principal Executive Officer posts. With effective management at this level,

the Executive Class could be expected to operate as an independent unit within departments. It would continue to service the policy-making machinery by carrying out basic research and bringing cases which involved general points of policy to the appropriate Administrative official, but in the routine work allocated to it the Class would not seek or expect the intervention of members of the Administrative Class. Reorganisation of the Executive Class in this way would improve career prospects, would give to its members a higher status and a more stimulating work-load, and would increase the efficiency of both the Executive and the Administrative Classes.

Class-to-class promotion

7. There remains the problem, mentioned in paragraph 5 above, of the man or woman of outstanding ability who, for personal, financial or other reasons is unable to pursue an honours degree course and thus joins the Service at Executive Officer rather than at Assistant Principal level. Table 1 of the First Division Association's paper shows that only 56 per cent. of the present Administrative staff were direct entrants to the Class. It has to be borne in mind when considering these figures that pre-war economic conditions, and the war itself, meant that many of those who would in more settled times have gone on to some form of higher education were forced to join the Service as members of the Clerical and Executive Classes. It cannot, therefore, be assumed that Administrative complements will in future continue to be maintained by the same scale of class-to-class promotion as formerly. Subject to that qualification, however, movement of suitable staff from the Executive to the Administrative Class at the right level is clearly essential for the proper allocation of staffing resources, and is a process which should be facilitated and encouraged. To avoid the need for retraining and to allow transfers between the Classes to take place while attitudes and intellectual approaches are still flexible, it is felt very strongly that the normal level of movement should be from Executive Officer to Assistant Principal. This would ensure a uniformity of experience and training throughout the Administrative Class, but in the transitional period it would be necessary to continue the promotion to Principal of Higher and Senior Executive Officers who were ineligible for a selection procedure on the lines of that set out in the next paragraph.

Selection of Executive Officers for promotion to Assistant Principal

8. There are various ways in which Executive Officers could be selected for promotion to Assistant Principal, but if they are to follow a career similar to that open to direct entrants to the Administrative Class, it is important that the class-to-class movement should not take place later than four or five years after joining the Service. Candidates who succeeded with distinction in the competitions for Executive Officer posts would be explicitly earmarked in departmental records for review at the end of their probationary period. An alternative possibility would be for an optional paper designed to test candidates' likely aptitude for an Administrative career to be set at the time of taking the main written papers. Departments would be free to add to these entrants others who showed outstanding ability in the probationary period, and if the early promise of these officers were fulfilled, they would be sent on a series of extra-departmental courses which would be interspersed with periods of

actual Administrative work. At the end of this process, given satisfactory reports, they would be promoted to Assistant Principal without further formality. Considerable thought would have to be given to designing the courses so as to inculcate the same type of intellectual disciplines as those which the direct entrant is assumed to gain from his academic course. Executive Officers who only marginally failed in this procedure would be noted for early promotion to Higher Executive Officer, while graduate entrants to the Executive Class who were selected for the exercise might undergo a curtailed period of training. There would thus be some incentive for the above average Executive Officer to extend himself in his early years, and the chances of retention would be increased.

Summary

9. The views put forward above may briefly be summarised as follows:

- (i) the division of the Treasury grades into Clerical, Executive and Administrative Classes should continue;
- (ii) the relative size of the Administrative Class should be reduced by reallocating its non-policy making functions to the Executive Class;
- (iii) the efficiency and prospects of the Executive Class should be improved by the creation within it of more senior management posts for suitably trained staff;
- (iv) class-to-class promotion should take place from Executive Officer to Assistant Principal; and
- (v) the transition from Class to Class should be a planned operation in which assessment of ability is combined with training.

Conclusion

10. The purpose of the foregoing paragraphs has been to attempt to demonstrate that a reasonable case can be made out against proposals for an Administrative-Executive merger, and that the aims of those who favour such a merger can be achieved by less drastic but probably more satisfactory means.

MEMORANDUM No. 130

submitted by

MR. C. E. HORTON, C.B.E.

Retired Civil Servant and Vice-chairman Fisons Ltd.

November, 1966

State Service — Manpower considerations

There is a general belief that the U.K. economy is not as strong as it needs to be, or could be. National plans, as well as national security, rest ultimately on the strength of the economy. Our influence in world affairs, our prospects in the Common Market, our aid to developing countries, our aspirations for a better world at home, all turn on our productive power and selling ability in a competitive world. Political parties all seem to agree about this.

2. My concern is with one aspect of the situation which I do not think receives the attention it deserves. Put in a few words I hold that too high a proportion of our better educated people now work directly or indirectly under the State umbrella. If I am right in my contention then the size and composition of the Civil Service is a very important factor in our economy, something to be consciously controlled in relation to other demands on our resources.

3. My belief is a result of thirty years in the Civil Service and fifteen in Industry. Unfortunately the full facts are hard to come by and my first plea would be for a declaration of the facts so far as they can be ascertained.

4. That there is an important measure of truth in my view seems to be corroborated by various observations which are made from time to time. For example:

- (1) A Second Secretary of the Treasury has stated that of those in employment who have received "higher education" 60% are employed by the State.
- (2) At this year's Meeting of the British Association at Cambridge it was stated that only about one in five of the brighter graduates in Science and Engineering find their way into industry.
- (3) In the "Universities Quarterly" for September, 1966 Professor H. Bondi says "I suspect that industry suffers from the universities themselves taking so many of our best young people".

Anyone who has tried to recruit good men for medium-sized or small units of industry knows how strong is the pull of State Service in one form or another.

5. This country operates a capitalist economy with both public and private sectors. What proportion of its talent should be in each sector is matter for

debate. What I am contending is that the bias at the moment is too heavily in favour of the public sector, that powerful influences are at work to keep it that way, and that the result can only be injurious to our overall prospects.

6. The public sector has in recent years become very extensive in its ramifications and offers security in a vast range of professional activities in direct competition with industry. University life appeals very much to those who want to do research for "fun" rather than for "profit". The ratio of staff to students is among the highest in the world, and a steady proliferation of Professorships adds to the attraction of the universities. Alternatively, large and well-equipped Government Laboratories offer agreeable careers with little risk of redundancy, and a minimum fear of failure or ineptitude. Pension rights are exemplary, and so on.

7. No one denies that a "public sector" is an indispensable part of our economic life. But, in my judgement, it is now too greedy of resources, and too successful in pressing its claims. It has its organised pressure groups well able to present the interests of its members, and there is a real danger of spurious comparisons with industry in matters of remuneration, fringe benefits, etc.

8. The greatest problem lies in the *number* of people in the public sector. This of course is always blamed on policy. What I am pleading for is an overriding policy which says that there is a "ceiling in numbers which shall not be exceeded."

9. After all, productive enterprise has to be engineered and largely initiated in the private sector. Because of the ultimate necessity to manufacture and sell at a profit the problems of management and of technology are intrinsically more arduous there than in the public sector. It is vital that the private sector should get much the greater share of the country's talent.

10. In the nature of things the public sector is a monopoly and if the cost of its goods and services is too high the resulting burden on the private sector will become disastrous to the economy as a whole.

11. I plead therefore for:

- (1) The statistics of manpower in the private and public sectors arranged in categories of intellectual attainment, "A" levels, honours graduates, Ph.D.'s, etc., to be made available at reasonable levels of accuracy.
- (2) A mechanism for resisting the inherent tendency of the public sector to be self expanding and self rewarding.
- (3) A campaign to encourage the flow of ability and character into industry.
- (4) A stringent limitation of total numbers in State Service:
 - (a) By resisting policies which inevitably mean new entries, uncompensated by internal re-deployment.

- (b) By keeping the pay and conditions of State Service only modestly attractive. Good pay in itself might well be alright if only total numbers could be restrained. The problem is to prevent State Service becoming an obvious "soft option" for the unadventurous.

It will of course be argued that such policies would deprive Education, the Diplomatic Service, the Defence Forces, the Administrative Civil Service, etc. of the people they are crying out for. But who is the best judge of these things, where all is a question of balance and proportion over the whole field of manpower deployment? Certainly the fact that a Service is unable to recruit the people it thinks it should have is no proof that salary scales should be improved.

12. The evidence of my own experience is that the balance today is far from right, i.e. for a capitalist country, not rich in natural resources, trying to live well at home and attempting great things abroad at the same time.

MEMORANDUM No. 131

submitted by

SIR HERBERT HUTCHINSON, K.B.E., C.B.

Retired Civil Servant

January, 1967

Before the end of the nineteenth century the British Civil Service was transformed into a body of men (and later women) recruited for life from school or university by means of competitive examinations. The great advantages of such a system carry with them dangers that the Civil Service may be turned inward upon itself, bureaucratic in the bad sense, and ill-acquainted with the world outside with which it has to deal. These dangers are not removed by the fact that the Civil Servant, unlike the soldier, does not live with his professional fellows, but goes home in the evening into the ordinary environment of his social fellows. It is important to note, however, how far they have been mitigated time and again during the present century by the fortuitous introduction of new blood through other channels than the sacred one of the Civil Service examination.

2. The extension of social reform and government activity in the first decade led to the recruitment, particularly into the economic departments then centred on the Board of Trade, of a considerable number of men, usually it is true of academic training, but with experience of economic research and social work. These men left their mark upon the Civil Service of the next two or three decades. The names came to mind of Lord Beveridge, Sir Hubert Llewellyn Smith, Sir Henry Fountain, Sir Percy Ashley, A. W. Flux, H. W. Macrosty. In addition there was an infiltration at a lower level of people of varied experience for work such as that of the labour exchanges.

3. The first war brought an influx of a much wider kind to help in the war effort. Most of these people left with the close of the war, but their temporary presence, along with the experience of other fields and problems and the other contacts which the war effort itself brought to the Civil Service, helped to make the bureaucratic climate of the twenties very different from that of pre-war years. A few too remained, such as Lord Hankey and Sir Sydney Chapman, to play an important part in the post-war Service. There was also after the war an influx of young men whose education had been interrupted by military service and who now entered the Civil Service at a rather later age and with a lively experience from the War.

4. Another and more considerable introduction from outside came with the Second World War, when large numbers of people both from business and from academic and other pursuits temporarily mingled with the career Civil Servants. Almost the whole of the business men left at or shortly after the end

of the war. The disparity existing until 1950 between remuneration in the Civil Service and in business in itself rendered this inevitable. Apart from this consideration, however, the business men—without disparagement of the invaluable work they did, especially in affairs of an industrial or commercial nature—did not on the whole adjust themselves so happily to the problems of administration in the governmental sense as to be at home in them after war conditions had passed. Probably few of them were sorry to return to their normal spheres. The dons on the other hand, sometimes to the surprise of the old hands, often evinced an aptitude for the work of a Government Department. Most of them of course left, some after making a very considerable mark, not only in wartime economic controls but in wider spheres of administration—such as Lord Franks and Sir John Maud. But a substantial number remained permanently in the peacetime Civil Service.

5. It may be of interest to carry the matter a little further by examining what the composition of the higher administrative ranks of the Civil Service has become twenty years after the end of the second war, and what changes there are on the position a quarter of a century ago and a similar period after the close of the first.

6. In 1965 the number of officers in the senior ranks of the Administrative Class was 370—Secretaries and Deputy Secretaries and Under Secretaries. This was double the number before the war. The increase was predominantly in the Under Secretaries, whose number was more than double that of the approximately equivalent class of Principal Assistant Secretaries in 1939; while the secretaries and deputy secretaries had risen by half. The general pattern for the latter is now two to four in each major department, with more in the Treasury, Ministry of Defence and Foreign Office; and some scattered over a number of small specialist bodies. The distribution of Under Secretaries varies greatly according to the nature as well as the amount of the department's work.

7. Of these officers in 1965 two-thirds had entered the Service from the university in their early twenties through the Administrative Class examination and this proportion had risen somewhat between the two dates (including in 1939 a number whose preparation was interrupted by military service during the first war and who entered through the "reconstruction" examination; and in 1965 some nominated after military service in the second war). Against this the number who had entered the Administrative Class by promotion from lower classes of Civil Servants fell from 18 per cent in 1939 to 10 per cent in 1965—an unexpected development. The proportion who had entered without examination after outside civilian experience was rather under a quarter of the total at both dates. A dozen of the later entrants holding high rank in 1965 were transferees from the Indian and Colonial services, and the previous experience of the rest was divided fairly evenly between academic pursuits and legal, business or other activities. Of those from outside Government service two-thirds had been brought during or immediately after the second war and the rest in the inter-war years. The later entrants among the 1939 top people, on the other hand, had mostly entered during the great expansion of policy and administration before 1914. It is interesting to note that the "Joint Secretary to the Treasury and Head of the Civil Service" in 1965 entered the Service at

the age of thirty-eight after an academic career; while one Deputy Secretary of a major Department entered at the age of thirteen as a boy messenger in the Post Office.

8. One development of the mid-twenties was the arrival of a bevy of talented young women, the first to take the First Division (i.e. the Administrative Class) examination. They seemed to settle down easily into this "man's world", and were certainly accepted with a good grace, though at first one old-fashioned Principal did insist on standing up every time his young A.P. entered the room. They were well able in ability and *savoir-faire* to take their full part, and in due course to attain high rank and repute, including such names as the future Dames Evelyn Sharp and Alix Kilroy. But the initial impulse for women to take up this career does not seem to have been maintained, presumably from a lack of interest in the universities rather than of capacity. By 1965, after forty years, there were only eight women in all in the top ranks of the Administrative Class.

9. Nearly all the people under review in these notes had received a university education, though in the case of some of those who entered the Administrative Class by promotion it was gained in the evening while already in the Service. Three-quarters had passed through Oxford or Cambridge, and a higher proportion of the entrants by the Administrative Class examination. Of the rest most came direct from one or other of the Scottish universities. In those respects the situation did not change between the two dates. It must be remembered however that all those we are speaking of received their education before the second war.

10. The records as regards schooling show the higher ranks of the Civil Service, whether examination entrants or later nominees, to remain solidly of middle-class origin. A few at one end had passed through one of the major public schools and at the other end through a State school. But two-thirds came from the lesser public schools and the grammar schools. The only significant change between the two dates is that the grammar schools gained heavily on the lesser public schools, though the latter are still well in the lead.

11. The detailed figures upon which these comments are mainly based are appended. The discrepancies between the totals under the sub-headings (given in brackets) and the total numbers of officers are due to lack of readily available information in some cases.

ANNEX B

SCHOOL EDUCATION OF PERMANENT, DEPUTY AND UNDER SECRETARIES—FIGURES PROVIDED BY THE TREASURY

Schools attended by Permanent, Deputy and Under Secretaries in the Home Civil Service (January, 1966)

	Permanent Secretaries %		Deputy Secretaries %		Under Secretaries %		Total %	
<i>British</i>								
Boarding	13	(40)	20	(30)	82	(32)	115	(32)
Day								
(a) Independent and direct grant	8	(24)	16	(24)	54	(21)	78	(22)
(b) L.E.A. maintained or aided	11	(33)	29	(44)	112	(43)	152	(43)
<i>Overseas</i>	1	(3)	1	(2)	2	(1)	4	(1)
<i>Not known</i>	—		—		7	(3)	7	(2)
	33	(100)	66	(100)	257	(100)	356	(100)

Comparing these figures with those for new recruits given by the Civil Service Commission to the Estimates Committee (pages 27 and 31 of the Bray Report), the percentages are:

	Higher Civil Service 1966 %	Recruits to Administrative Class 1948-63 %
<i>British</i>		
Boarding	32	34
Day		
(a) Independent and direct grant	22	29
(b) L.E.A. maintained or aided	43	36
<i>Overseas</i>	1	1
<i>Not known</i>	2	—
	100	100

The differences are much what one would expect having regard to the fact that the first column includes people who entered the Administrative Class by promotion from other classes.

1939

1965

	Secretaries and Deputy Secretaries	Principal Assistant Secretaries	Total	Secretaries and Deputy Secretaries	Under Secretaries	Total
Total Number	70	112	182	109	261	370
<i>Method of Entry into Ad- ministrative Class</i>	(67)	(98)	(165)	(107)	(222)	(329)
Administrative Class examination	39	59	98	79	138	217
Promotion from lower Class	14	16	30	7	25	32
Entrance by nomination after outside experi- ence	14	23	37	21	59	80
In Indian or Colonial Service	2	5	7	1	12	13
Academic	11	16	27	11	24	35
Legal, business or other Of which nominees dur- ing or at end of war:	1	2	3	9	23	32
With academic ex- perience	2	2	4	6	16	22
With legal, business or other	1	1	2	5	16	21
<i>University</i>	(66)	(95)	(161)	(107)	(216)	(323)
Of entrants by all methods:						
Oxford and Cam- bridge	46	70	116	83	156	239
Other	16	15	31	20	45	65
None	4	10	14	4	15	19
Of entrants by A.C. exam.:						
Oxford and Cam- bridge	34	51	85	67	122	189
Other	5	8	13	12	16	28
<i>School</i>	(62)	(95)	(157)	(104)	(210)	(314)
Four Major Public Schools	10	11	21	20	19	39
Lesser Public Schools ...	27	44	71	52	67	119
Grammar Schools	11	11	22	13	63	76
State Schools	4	17	21	15	29	44
Various	10	12	22	4	32	36

MEMORANDUM No. 132

submitted by

MR. P. JAY

Former Principal, H.M. Treasury, Economics Editor, "The Times"

March, 1967

Whitehall's Brain Drain

The purpose of this paper is to contribute a personal impression to discussion about why senior Assistant Principals and junior Principals leave the Civil Service. It is not a systematic study of the available statistical and other evidence. Still less is it supposed to be definitive or comprehensive. It reflects experience in only one department (and that, the Treasury, an abnormal one) over a period of six years to Easter 1967. It is thus no more than a snapshot of one individual's state of mind on deciding, after being a Principal for two and a half years, to leave the Service in order to become an economic journalist. It need hardly be said that the paper is not autobiographical and that the writer does not see himself as a jewel lost to Whitehall's crown; but he does suspect that enough jewels have fallen out recently to raise reasonable doubts about the mounting.

2. The typical Assistant Principal fresh from university joins the Service full of enthusiasm, wanting to do a practical job and eager to apply his trained intellect and imagination to public issues. All he expects in return is opportunity. The too-frequent failure to provide this opportunity and to harness this good will is the Civil Service's great failing as an employer. The enthusiastic entrant too easily becomes the disappointed potential leaver. This waste is hard to excuse, given the intrinsic interest of Government work and the quality of people attracted to it.

3. This alienation of the young administrator is more responsible for the Service's failure to retain many of its best people than all the minor irritants usually quoted. It is, therefore, crucial to analyse its causes. To give a final explanation one would need to commission a systematic empirical study by a qualified industrial or social psychologist. Pending this, one can only attempt to summarise personal impressions.

4. To achieve real satisfaction in a job a man needs to be able to take pride in it. He can only do this if he both believes that what he is doing is worthwhile and feels that his own exertions and skill are contributing to actual results. It is not difficult to feel that the government of the country is in principle worthwhile. The sources of frustration must, therefore, be traced to one or both of two things: lack of confidence in one's own craftsmanship and doubt whether one's efforts are achieving anything.

5. More and more areas of Government policy and more and more activities of management are being reclaimed from the jungle of intuitive guesswork by the expanding frontiers of the social and management sciences. This makes it increasingly hard for the enlightened young administrator, nurtured in the theory of the scientific method but not trained in its practice, to believe in himself as a creative professional; and the traditional craft of "working the Government machine" seems to him sterile and irrelevant, even if necessary and sometimes weirdly fascinating.

6. More debilitating still is the difficulty which the junior Civil Servant all too often finds in identifying himself with a project and with its success or failure. Not for him the pride of authorship, the spur of reputation or the joy of creation which is the stuff of life to the writer, the scholar, the research scientist, the artist, the entrepreneur or even the journalist. This missing sense of achievement has subtle origins; and it is particularly important to diagnose them accurately.

7. The cause is not primarily that Ministers monopolise public praise and blame (indeed the more astute are getting rather adept at side-stepping the blame at the expense of the mute officials standing behind them). Nor can it be wholly blamed on the proneness of senior officials to redo the work of their juniors, although this aggravates the problem. More responsible is the simple fact that there are too many fingers in every pie. This is, in short, the classical problem, in a new guise, of industrial psychology under mass-production. Each man's contribution to any one "product" is too trivial to engage either his loyalty or his craftsmanship. This division of labour is not an inevitable consequence of having to deal with complex issues which affect many different interests. Nor is it solely due to there being too many rungs in the hierarchy. Nor yet is it an inevitable facet of the specialisation of labour for reasons of efficacy.

8. The real source of the trouble is the way in which work is normally handled. An individual's duties are defined by subject areas rather than by problems or projects. Thus one man is responsible (with his superiors and juniors) for all the problems that arise in or affect his subject area. Other people are responsible for the other subject areas through which these and other problems may pass. The problem itself thus passes from "seat" to "seat" or is remitted to a committee of departmental representatives, until every interest has had its say; and no one can complain that they were not consulted. But, equally no one person sees the case through from beginning to end or even feels personally responsible for its fate.

9. For example, a Principal in the Treasury may be responsible as such for naval equipment or health or home information or balance of payments statistics or national savings. Only incidentally and intermittently will he be responsible for working out new budgeting techniques, for analysing the costs and benefits of a selected chunk of defence strategy, for formulating a new policy for regulating expenditure on drugs or for designing a new approach to personal savings.

10. If, instead, the responsibilities of an individual were defined at least partially by problems (i.e. if he were told to spend three weeks or three months

or three years on one problem or cluster of problems following it through all the subject areas affected), then there would no longer be any need for his work to be atomised into decreasingly meaningful "instant" contributions to unfamiliar problems as they pass fleetingly under his gaze. He could then identify himself with the successful solution of the problem; and it would be worth his while, as well as possible for him, to develop the expertise required to solve it. But is this practical?

11. It is in fact manifestly impossible to organise the work of Government departments entirely on the basis of problems and cases rather than subject areas and functions. But it is nonetheless arguable that substantial gestures could be made in that direction. The reasons for making the attempt need not necessarily be sentimental, as they would be if one reorganised a car factory in order to restore to each man the supposed craftsman's joy of building a complete car from start to finish.

12. In the case of administrative work, there are powerful reasons for thinking that team working on projects, supplementing the formal hierarchical coverage of subject areas, can greatly enhance efficiency by releasing new energies, fostering greater expertise and blending a greater variety of skills in joint endeavours. This is not the place to develop this argument or to explain the many ways in which this concept could help to solve machinery of Government problems which appear insoluble when tackled purely in terms of two dimensional pyramid structures. Some supplementary thoughts are set out in Annex A. The relevant point here is that the way in which an official's work is organised and the destructive effect which fragmented work-patterns can have on his performance and morale are not inescapable facts of life. They result from an at least partially unnecessary and outdated theory of organisation.

13. To summarise this part of the diagnosis, people leave because they are frustrated, they are frustrated because they cannot identify with their work they cannot identify with their work because they cannot build up expertise on a problem and see it through to a successful conclusion and they cannot do this because individuals are too rigidly allocated to "seats" which deal from one viewpoint with a continuous stream of different problems in a given subject area. One cannot take pride in or get satisfaction from covering a limited interest in a monotonous succession of briefly observed discreet issues any more than one can find fulfilment in fitting ashtrays in 1,000 Mini Minors a week.

14. A distinct, although connected, cause of frustration is the mood of stasis that pervades Whitehall, in marked contrast to Washington. It is not merely the sense that the individual can make no impact, but the growing feeling that no one else, from the Prime Minister downwards, can either. This mood, which is not wholly justified or universally shared, is not a mere manifestation of misplaced philosophical determinism. Rather, it reflects the difficulty of taking an effective initiative or launching a new scheme in an environment governed by the unanimity (or, strictly, the *nem. con.*) rule. This applies by custom to every move below the Cabinet level, since any unresolved disagreement must be referred upwards until it reaches the Cabinet which alone has a mechanism for finally overriding minority dissent. In no other forum can a stoutly-determined objector be outvoted or overruled, except of course by his own superiors.

15. This interpretation of collective Ministerial responsibility breeds a proliferation of co-ordinating mechanisms which do not so much veto proposals as disembowel them. It is perfectly true that a great deal of genuine co-ordination and consultation is needed to conserve even a modicum of coherence in the Government's multifarious activities. It is also true that officials genuinely lean over backwards to reach agreement and to get the business through. But the time and effort spent on co-ordination is out of proportion to the actual amount of information sharing, advice taking and programme reconciliation that is necessary. And, quite apart from the time wasted trying to avoid "disagreed" reports, there is an even more harmful tendency for the substance and vigour of schemes to be too easily sacrificed in order to avoid open disagreement. In the land of unanimity the lowest common factor is king.

16. It is relevant to contrast this malaise with the much more vigorous mood to be found in Washington. No doubt the difference arises partly because the constitutional conventions are different under Presidential government and partly too because of different national traditions. The fact remains that, where the political will exists and sometimes even where initially it does not, programmes can be and are launched in the U.S.A. to deal with new problems (or with previously ignored problems) despite what sometimes appears to be a cavalier disregard for old-style organisation theory and for the "proper" differentiation of functions between Federal agencies. This does indeed lead to a good deal of confusion, overlapping responsibilities and plural sources of funds for nearly identical purposes. The great legislative programme of the 89th Congress (1964-67) has certainly left a good deal of mess which the Administration is only now starting to sort out.

17. Some may argue that on balance our tradition of careful preparation of integrated programmes before public initiatives are taken is better than sudden *ad hoc* ventures like the War on Poverty. But it is hard to admire an engine that runs smoothly only so long as it is not put into gear; and the principle of "Act first, co-ordinate later" is preferable to harmonious inactivity. Anyway, the picture of Whitehall departments as smoothly-running machines in which no gears ever grind is fanciful, to say the least.

18. The importance of all this to the individual, however, is quite simply that the trajectory of any substantial enterprise is so long and its progress so imperceptible that too little ever appears to be accomplished or accomplishable during an average tour of duty in a particular job. In fact, of course, a good deal is achieved by Government departments in the way of working out new policies and improving the execution of existing ones. But the individual is not permitted to feel the throb of events, unless he falls into the error of mistaking activity for action.

19. If the individual were able to stay longer in particular posts, to develop expertise for coping with a particular range of problems, to work on team and individual projects which he would follow right through and if senior officials and Ministers were more willing to accept and reach decisions on vigorous disagreed proposals early rather than lame compromises late, then his energies and talents, enthusiasm and loyalty could be fully engaged. The people who

left under such an exhilarating regime would be those who had no stomach for getting things done.

20. Other lesser sources of this same frustration, which is the key to the Civil Service's failure as an employer, are more mundane things like slow promotion, inept postings (the Service sometimes seems to take a positively malicious pleasure in putting square pegs in round holes), the impersonality of the Service as an employer, the excessive number of steps in the hierarchy and the sheer drabness of official life.

21. The point about promotion is often misunderstood. It is not based exclusively on seniority. Indeed, from among the so-called "field" it depends on nothing but merit, as officially recognised. But the "field" is limited to those with at least a few years in the rank below. Moreover, since people only move out of the senior positions at their own initiative and therefore at a rate which the Service does not itself control, there is a definite upper limit to the speed with which people can expect promotion however optimistic they may be about their own merits.

22. It is well nigh impossible to be an Assistant Secretary before thirty-five, an Under-Secretary before forty or a Deputy or Permanent Secretary before forty-five, although exceptions are slightly more frequent in the two senior ranks. Yet, the Civil Service purports to be competing for the ablest people; and such people can now become, though few of course do, professors at thirty-five and Cabinet Ministers at forty.

23. What is required is not more senior posts (perish the thought) or even lower average ages of promotion, but instead a wider dispersion of ages on promotion, at least at the younger end of the spectrum. Relatively few very young promotions could do a disproportionate amount of good by establishing the fact that, if the individual is good enough, there is at least a chance of his doing a really worthwhile job in his thirties.

24. There would, of course, be a price to pay in terms of offence to more average performers; but at present the balance is tipped too far in the direction of "fairness" with the inevitable result that those who gain thereby, i.e. standard and sub-standard performers have more incentive to stay in the Service than those who lose, i.e. above-average performers.

25. It is in fact a general truth that, to the extent that rewards, whether pay or not, are related to staff categories and not to the specific qualities of individuals, those who just squeeze into a category are over-rewarded and those at the top of it are under-rewarded. Consequently, the better half is more prone to quit, thus creating a systematic downward bias in the quality of the category.

26. This fundamental inflexibility in Civil Service personnel management provides a general key to the Service's inability to retain a sufficient proportion of its best people. It has to find a way of using and rewarding people more discriminately, if it is not to be perpetually outsmarted. Other employers can always afford to outbid the Service for a particular individual so long as the

Service is prevented by general scales and conventions from making any counter-bid. Pay is not the main issue; and promotion would not be, if junior posts were made as exciting and responsible as they could and should be. What matters most, as explained at length above, is work assignments, i.e. facing people with challenges and, where this is justified, making them feel that they are needed and appreciated.

27. Cases could be cited of people who left the Service simply because the new employer never took the trouble to make the new recruit feel that he personally was wanted to undertake an important new assignment. Had the Service ever thought, before it was too late, to give the individuals in question any indication how their performance was regarded, or better still to ask them to undertake a special piece of work, they could in all probability have been kept in the Service.

28. You do not have to flatter people or even go out of your way to praise them in order to avoid giving them the impression that they are taken for granted and thoroughly dispensable. It is just a matter of using them intelligently. If there is one kind of boss who is even worse than the type who is endlessly bawling his staff out over trivial issues, it is the kind who never passes any comment, good or bad, on any performance, important or trivial. In over six years in the Civil Service the present writer has literally never heard anyone directly praised or blamed for anything, whether it be a year's work or a particular job of work.

29. Human beings need guide-posts. Not even Treasury officials can subsist on an unspoken convention that everyone in so august a department must be perfect and therefore neither deserving of censure nor needing the common solace of approbation. Too many people have quite literally no idea how they are thought of by the authorities; and quite a few would rather not run the risk of finding out the hard way, when it is too late to do anything about it, that they are poorly regarded.

30. This is especially true of younger people who have only recently emerged from an educational system which bombards them with ceaseless measurements of their performance. If this is too suddenly switched off, the individual can rapidly begin to feel lost. He may cease trying or he may become more and more frantic in his efforts to win acclaim. He may develop really harmful self-doubts which can progressively corrupt his self-confidence, his performance and ultimately his personality. Or he may cease to care and just work steadily but fatalistically on with no special expectation of either recognition or repudiation. More generally a sort of torpor descends deadening the spur of personal competition and obscuring the prospect of relevant reward. One cannot get the best out of people or even keep the best people under this system. It may be embarrassing to the genteel mind to pass personal comments on people to their faces; and it is much easier to have nice friendly relations with them. But this is an abnegation of the responsibilities of an employer and a boss. The adroit word of praise or blame can be worth more than all the permissive indulgences of the most liberal employer; and it costs nothing more than a little guts and presence of mind.

31. Regrettably, perhaps, we live, or at least employ people, in a world that admires and rewards success. An employer who cannot offer success in less than fifteen years is just not competing in the big league. The Civil Service neither creates an environment in which personal success or failure is easily discernible nor recognises it, except blushing, on the rare occasions that it does force itself to attention through the fragmented glass of depersonalised work patterns. The apparatus of undisclosed annual reports, from which no traceable results flow, cannot excuse management's evasion of its basic leadership function, namely to inspire staff to maximum effort and optimum performance by the right blend of challenge and reward, of exhortation and appreciation.

32. Men, however sophisticated, will, and indeed can, only give of their best if they, not only believe in their leaders and in their leaders' belief in them but also believe that their leaders can and will recognise good and bad performances. The Civil Service is a strikingly liberal and indulgent employer in all the normal ways. Moreover, it takes enormous trouble over its personnel assessments; but since, like the Bellman, it omits to mention the fact (or at least the result) of these assessments, this labour is largely lost so far as inspiring the individual goes.

33. This disastrous impression of the Service as a remote and inscrutable observer of staff performance is exacerbated by what appear inept postings. It is not just the fact that people are allowed to feel, often quite erroneously, that they are moved around indiscriminately like standardised parts of a standardised machine without regard to their special skills, knowledge, experience or aptitudes. It is even more the feeling, which probably is justified, that a quite deliberate and conscious attempt is being made to prevent them becoming too great an authority on any one subject. This is done in the name of protecting the administrator's amateur status or, as it would officially be put, in the name of "planned career preparation for Permanent Secretary responsibilities".

34. Quite apart from the dubiousness of regarding the lack of any particular knowledge or skill as a weird kind of special positive qualification of its own called "all-round administrative experience", this whole concept of career planning oriented to Permanent Secretary responsibilities via the coveted spy-holes of Private Office postings makes insufficient allowance for the facts that few people ever become Permanent Secretaries and even those who do very seldom occupy that rank for more than a minority of their official careers. The cost-effectiveness of sacrificing sensible intermediate career planning to what is appropriate to a mere 1 per cent of the Administrative Class at any point in time must be questionable. Anyway, are the best Permanent Secretaries the rolling stones of Whitehall or those who, given the right personal qualities, have a real knowledge of the business of their departments? This whole principle reaches its final *reductio ad absurdum* in the fact that the irritation which it causes the enlightened youngster, who wants to be doing something useful now, drives out of the Service precisely the people who ought to be tomorrow's Permanent Secretaries.

35. The last straw for several people has been the Service's invariable practice, when someone has been allowed generous sabbatical leave to make a special

study of some area, problem or technique of Government immediately to post him to a seat where there is no conceivable risk of his being able to use the knowledge so acquired. He may later be allowed to return to his chosen field; but first his all-round status must be re-established.

36. In paragraph 7 above the excessive number of steps in the administrative hierarchy was recognised not to be a sufficient cause of the disassociation of the junior official from his work. Nonetheless, in the absence of the system of team-working suggested in paragraphs 10-12, too many steps in hierarchy contribute to the basic malaise described in the paper. The preferred solution is to go for selective team-working as the best means of forcing real responsibility and interest down to the junior levels. This would relegate the hierarchy to its proper function as an instrument of work direction and co-ordination rather than as a suffocating layer-cake of successive administrative generations filtering every initiative to purest innocuity. People would be less sensitive to the vagaries of their immediate lots if they were also working as team members on projects commissioned by the higher directorate of the department. Although the Treasury has one more rung in its administrative ladder than other departments, it has evolved a method of leap-frogging submissions and of genuine delegation of responsibility of juniors which makes the problem of the hierarchy much less acute than in other departments.

37. Finally, the drabness of official life is oppressive to the lively spirit. The public interest is not well served, and neither are Ministers, by the disassociation of the official from the personal lives of Civil Servants. There is everything to be said for reasonable relaxations; and there is nothing wrong with officials being music-lovers, gardeners, pigeon-fanciers or even just televiewers. Nor is there any need for officials to become mini-politicians on the side. But government properly conceived is a way of life, not a nine-to-five chore.

38. To do a really effective job in government is not merely a matter of knowing one's facts, having all the arguments at one's finger-tips and being able to operate the Whitehall machine like some kind of highly proficient robot. It is also a matter of having a feel for the mood both of the country as a whole and of important groups within it. To seek to govern, not only with no personal contact with journalists, financiers, industrialists, teachers, trade unionists or indeed politicians, but also with no three-dimensional conception of what kind of people these really are, how they work, what motivates them and what their strengths and weaknesses are, is absurdly other-worldly.

39. Government must be enjoyed to be done well, because the demands it makes would be insupportable if only met out of a sense of duty. The curiously disembodied official life which all but the most senior Civil Servants are expected to lead is just a further, though less important, source of that frustration and lack of involvement which, as argued in this paper, lies at the root of so much of the trouble with the Civil Service as a way of life. For, people must be offered a way of life engaging the whole man, albeit not exclusively, if the best is to be got out of them and the best of them are not to get out.

ANNEX A

TEAM WORKING

The Senior posts may have to be differentiated for a long time to come on traditional subject or functional lines; but there is no reason in principle why the directing staff should not make much more flexible use of the people under them, not thinking of them exclusively as the occupants of particular "seats", but as individuals with varying talents skills and knowledge to be continuously deployed and redeployed so as to bring the available resources more effectively to bear upon the current problems. There will, of course, need to be some background organisational structure, since people cannot stand around like soldiers on morning parade waiting to be detailed off for a new project. Anyway, the "ground has to be covered" in the sense that there must be somebody who can initially field any new ball bowled at the department. But the residual organisation need not be pervasive, need not be on exclusively subject or functional lines and need not be conceived in purely two-dimensional "pyramid" terms.

2. The example of the Rand Corporation may be instructive. It is formally organised into departments defined by academic disciplines; and a good deal of individual and routine work is done within that framework. But, for the purposes of the major studies for which Rand is renowned, it is normal to recruit a team, under a project leader, of suitably qualified individuals from several different departments in order to achieve the optimum multidisciplinary attack on the problem to be solved.

3. In the Treasury, by contrast, there are, *inter alia*, specialist divisions which act as repositories of wisdom and technical matters, e.g. economics, accounting, management service, O and M. There are also divisions "of the line" covering the spending activities of specific groups of departments and others handling particular functions, e.g. pay, superannuation, Civil Service policy. There are also divisions which deal with specific policy-areas, e.g. exchange control, domestic monetary policy, aid and commercial policy.

4. A typical problem to which this heterogeneous classification of divisions within a nominally two-dimensional pyramid structure gives rise is how, in overseeing the activities of spending departments, to combine sufficient familiarity with the affairs of that department with sufficient command of the techniques (economics, accounting, management services and personnel management) without which the control of expenditure is bound to be negative, over-detailed, repetitutive and irksome to all concerned. Team-working could help in overcoming this difficulty because a group deploying all the required skills, knowledge and experience could make a combined onslaught on the big issue of which everyone is aware but which no one can satisfactorily tackle on their own or through the normal inter-divisional passing of case files. Moreover, team-working could reduce the vertical as well as the horizontal discontinuities of personal responsibility for the success of an enterprise. Finally, it could be developed inter-departmentally to range across departmental boundaries without commitment to the team members' "own Minister". Forceful reports, abjuring anodyne compromise, could thus be produced on previously awkward or taboo subjects; and the department concerned would be brought in thereafter to comment officially. Ministers would thus see a real dialogue.

5. The present system is not only inefficient, but demoralising as well. It is shocking to see the eagerness of so many from whom exciting results could be obtained blunted and finally dissipated. It too seldom seems to be possible for the higher directorate to call on the individual, singly, or in teams, to carry out a special project in which he can take personal pride because he knows that he will be able to see it through to the end—to be praised or criticised according to his deserts.

MEMORANDUM No. 133

submitted by

MR. N. JOHNSON

*Senior Lecturer—Politics, University of Warwick
(Former Civil Servant)*

October, 1966

The purpose of this paper is to comment on a number of problems which are important in relation to the future of the Civil Service. The first part, paragraphs 1 to 27, discusses some of the assumptions underlying the present form of the Civil Service, the reasons why changes may be needed, and the limitations affecting proposals for change. The main part of this memorandum, paragraphs 28 to 82, considers the structure of classes in the Civil Service. Here the main emphasis is on the Administrative Class (paragraphs 28 to 62), whilst paragraphs 63 to 82 deal more briefly with other groups in the Civil Service. The final sections of the paper examine a number of important but disconnected topics which cannot easily be fitted into the earlier sections, although they are related in a variety of ways to the arguments which precede them. The most important of these is the vertical structure of Departments which is dealt with in paragraphs 83 to 89.

This paper makes no claim to completeness. To a large extent the problems discussed in it relate to the role of the administrator in British government. If justification is needed for this the writer would argue that these problems are, objectively, of crucial importance to the future structure and character of public administration in this country, and that by experience and academic interest he is more qualified to comment on these matters than on many others in which the Committee will be interested.

THE CIVIL SERVICE: ITS CHARACTERISTICS AND PROBLEMS

1. Like many British institutions the Civil Service owes its present shape and character to the political inventiveness of the second half of the nineteenth century. The achievements of that period of reform were three-fold: to recognise the need for a professional Civil Service, to establish it on a basis of open and competitive recruitment which attracted staff of high calibre to the various levels of the Service, and to ensure that the Civil Service developed in a manner compatible with the conventions of our political system.

2. It is not surprising that we should now ask whether a Civil Service fashioned for the most part half a century ago is fully capable of meeting the demand imposed on it by a changed society and by a completely different scale and range of Government activity. But in posing this question it is worth remembering that the problems which face us do not differ in essentials from those which

faced the Victorian reformers. Like them we are concerned to ensure that the Civil Service is staffed and organised so that it can discharge effectively the responsibilities imposed on it. Equally we must recognise that it is not just a question of having a Civil Service which is technically competent to carry out the functions of contemporary government. It is also imperative to ensure that the Service continues to meet the political requirements of our system of government. The Civil Service cannot be considered in isolation from the political authorities it serves. Political habits are resistant to change, and certainly they have not changed in this country at a rate comparable with the pace of change in the scope and nature of government activity. This is a limiting factor which must be accepted. It means that there are many schemes of reform which might, objectively, be conducive to more efficient administration, but which have to be ruled out because they are incompatible with the political requirements of our system of government.

3. There are a number of important assumptions on which the Civil Service has been based which need to be discussed briefly so that we may consider the extent to which they are still valid, or have been weakened by changes in our society and in the nature of government activity.

The Civil Service as a Profession

4. Mainly in order to overcome the evils of patronage it was held indispensable in the last century that the Civil Service should offer a permanent, lifelong career. Men were to be attracted not only by security of tenure and an adequate income, but by the ideal of commitment to the public service. Several factors have combined to weaken this notion of a career Service. Industry and the professions now compete with the Civil Service for recruits on equal terms, and for many young people the ideal of permanent commitment to the public service is itself no longer so compelling. More people are willing to contemplate changing their careers in midstream, or wish to defer a final decision on their careers until they have had some practical experience. Movement into and out of the Civil Service is regarded by many as beneficial both to the Service and to professions and organisations outside it. There is too a tendency for Governments to feel the need to import into the Civil Service on a temporary basis people with specialised knowledge which is not readily available within the Service.

5. These changes are important. They have to be taken into account in recruitment policy and in presenting the Service to potential entrants. But they do not add up to such a far-reaching shift in social habits and attitudes that the principle of a career Service is put in jeopardy. Our political system and the demands of an efficient public service require a career Civil Service, most of the members of which are committed to a lifetime in it. This paper is written on the assumption that this principle can and should be retained.

Open and Competitive Recruitment

6. One of the main achievements of the Victorian reformers was centralised recruitment by the Civil Service Commission on an open and competitive basis.

In essentials the principles governing recruitment have not changed, as was indicated in the paper submitted by the Commission to the Estimates Committee in 1965.¹ All permanent and pensionable posts are still publicly advertised, and selection takes place by competition. But the element of competitive examination has declined in importance. The Civil Service has to find large numbers of people with professional and specific academic qualifications in a keenly competitive market. For such staff competitive examination has always been inappropriate as a method of recruitment, and they have to be selected by interview. Only for the general classes does the traditional examination method still apply, and even for them competitive examinations have, to a large extent, given way to qualifying examinations followed by interviews (e.g. Method II for entry into the Administrative class), or to interview alone.

7. It is reasonable to assume, therefore, that the open competitive examination has only a very limited part to play in the years to come. The future pattern is likely to be one of recruitment by interview or by qualifying examination and interview. This trend does not, however, mean that the principle of competitive selection should be deleted from the Commission's terms of reference. There remain arguments for maintaining the principle. This point is referred to again in paragraph 91.

Recruitment Geared to Levels in the Educational System

8. When open and competitive recruitment was being built up the emphasis was mainly on the general classes for which no professional qualifications could be laid down. Accordingly it was considered appropriate to link recruitment to these classes to the different stages of formal education. Over a period of about forty years this led to the emergence of a three-tier system: leaving school at sixteen for the Clerical Class, leaving school at eighteen for executive work, and acquiring a university degree for the Administrative Class. Under this arrangement an important part of the needs of the Civil Service have for many years been adequately met. But in the past twenty years or so the educational system itself has been changing rapidly, and is likely to change still further in the future. It is no longer a tidy three-tier system. New types of school are emerging, there is growing diversity in leaving examinations, more children are staying longer at school, there are greater opportunities for vocational training, and there is a greatly expanded university population.

9. As long as the Civil Service retains general administrative² classes and it is assumed here that it must do so—recruitment to them must be related to different levels of educational attainment. There is no practicable alternative. But recruitment policy has to take account of the changing character of education in our society. Two aspects of this are particularly important. One is that for entry into the lower and middle levels of the Service there will need to be recognition of a wider variety of qualifications entitling candidates to consideration. This follows from the diversification of the educational system and the increased number of post-school qualifications. The other is that the Service

¹ 5th report of the Estimates Committee 1964-65, *Minutes of Evidence*, p. 1.

² The term "administrative" is being used here in its broadest sense, not in its narrower Civil Service sense.

will need to do more to attract part of the larger graduate output. Many of those who formerly left school at eighteen go on to a university. Much of this ability is now being lost to the Civil Service and this trend must be reversed if there is not to be a gradual decline in the high quality of the middle levels of the Service.

A Civil Service Organised in Classes

10. A marked feature of the British Civil Service, particularly as it has developed in this century, is that it is a structure of separate Classes, and that accordingly people are recruited to and make their careers within a Class. The Treasury's Introductory Factual Memorandum submitted to the Committee vividly underlines the diversity of classes within the Service.

11. This Class structure does justice to certain functional needs. It expresses the belief that the efficiency of the Civil Service is enhanced if staff are recruited for a range of work within their competence rather than for specific posts. In contrast, position classification as developed in the U.S.A. and Canada, requires the public services to think more in terms of filling posts than of securing groups of staff qualified for a relatively wide range of duties. Although position classification has been used increasingly for recruitment to certain branches of the Civil Service—for example when economists are sought for a particular department or specialists are needed for a specific technical service—there remains a firm commitment to the traditional Class structure. The recent formation of the Government Economic Service testifies to this. We remain wedded to the idea that the Civil Service should recruit economists, lawyers, architects and general administrators for a range of work, and not for specific posts.

12. The British Civil Service pays a price for this structure. It makes movement between Classes difficult. It has complicated staff relations and the representation of staff through their associations; it tends to preserve the division between the Administrative Class which formulates policy and those which do not; finally, in the case of the general classes which are distinguished one from another by the level of work and of educational attainment rather than by differences in professional qualifications, the very term "Class" has become a matter of reproach. Class in the technical sense used here has become confused with class in the social sense. The Civil Service has experienced the same pressure as that which affects our whole society—to accept that we are all in the middle class now. (The French civil service is perhaps more fortunate. There for "Class" the more specific term "corps" is used which lacks the emotive colouring of "Class".)

13. Some modifications of the Class structure of the Service are now needed. Movement between Classes should become easier, some consideration should be given to the amalgamation of some of the smaller Classes, there may be advantages in superimposing on the existing Classes a unified structure of grades and salaries, there is the problem of the kind of general Classes which should be retained, and there is the possibility of creating a higher management Class embracing the members of many Classes above a certain level of seniority.

Attention will be paid to most of these points below. At this stage, however, it is worth emphasising that the British Civil Service had developed in such a manner that it is neither practicable nor desirable to abandon to any significant extent the principle of a class structure. Not practicable because such a step would encounter determined resistance, not least from the professional and scientific classes, and not desirable because there is little doubt that a class structure of this kind does afford considerable flexibility in the use of staff within the classes. Given that the purposes and activities of government are changing all the time, this is an advantage.

The Separation of Administrative from Technical Functions

14. To some extent all bureaucratic organisations must recognise a distinction between the tasks of administration and work which calls for the application of technical skills and knowledge. Deciding whether to build a bridge, and if so what administrative and financial problems have to be met, is plainly a different activity from designing and building the bridge and then maintaining it. It calls for a different approach and an ability to solve a quite different range of problems.

15. The peculiarity of the British Civil Service is that it has accepted this separation between administrative and technical functions in a remarkably consistent and comprehensive manner. Within the Civil Service to administer is to judge between alternative courses of action, and to decide which to adopt. It is to manage and to organise, to explain and to co-ordinate. The isolation of these administrative functions and their assignment to general classes of the Service has been carried through in practically every part of the organisation of government. Alongside them are what must be described loosely as technical functions. These are very varied. There is the provision of technical advice to facilitate administrative decisions, the continuing oversight of services provided by state or local authorities, the application of technical skills to the solution of specific problems, scientific research and development, the services of inspection, and so on.¹ What distinguishes the technical functions from the administrative is that the former do not as a rule include responsibility for dealing with most of the work which stems from the demands of Ministers and Parliament. Technical functions are entrusted to staff with appropriate technical qualifications, whilst administration falls to those whose principal professional qualification is their experience of administration itself.

16. In recent years this principle of separating administrative from technical functions has been widely challenged. Much of this paper will be concerned with different aspects of the problem. At this stage it is enough to state that the division between administrative and technical functions needs a critical and selective scrutiny. There is no case for its total abandonment, and there are various methods of dealing with it which are appropriate to different areas of Civil Service activity. As in respect of several other problems facing the Civil Service it is prudent to avoid the temptation of applying a single remedy.

¹ It must be stressed that "technical" has a very wide sense. The lawyer who drafts a bill and the architect who designs housing for old people both have, in the Civil Service way of thinking, technical functions.

Administration is a Practical Activity to be learnt by the Practice of Administering

17. This is really a justification of the preceding principle. To say that administration is a practical activity may sound foolishly obvious. But in association with the belief that this is an activity for which no particular body of knowledge or techniques will automatically fit a man this view of administration takes on the character of a powerful doctrine. Moreover it goes further than the assertion that administration is a practical activity in which the application of commonsense and informed intelligence is more important than the possession of specific knowledge and skills. Many would argue that the best administrator is someone who is positively uncommitted by formal training and specialised knowledge. Commitment undermines the qualities which the administrator needs for his craft.

18. There can be no conclusive proof of the correctness or otherwise of this approach to administration. It can be said on behalf of it that it encourages a style and method of administration which is well-adapted to a society in which Governments are allowed wide and flexible discretionary powers. In addition it recognises the extent to which Governments must also proceed by compromise, and thus sees much of the work of administration in terms of co-ordination, reconciliation and explanation. It expresses attitudes which are deeply anchored in our society, and there can be no doubt that it is in harmony with our major political conventions. For these reasons it is an approach which cannot be changed quickly, even assuming that we want to see it changed. It is, however, possible to consider means of overcoming some of the disadvantages of this extremely pragmatic view of administration without surrendering it in principle. To hold that administrative skill cannot be built on any body of theoretical knowledge need not prevent the development of new and more comprehensive schemes for training administrators. To believe that administrators do not need to have specialised professional qualifications before entry does not lead to the conclusion that there is no case for subsequently specialising in particular areas of administration. To accept that administrators should be adaptable, capable of handling a wide range of problems, need not imply that they are infinitely interchangeable. The challenge which faces the Civil Service is to produce a more professional approach to administration, but to do so by building on this pragmatic and empirical view of administration so that its virtues may be retained.

Neutrality and Anonymity

19. The British Civil Service accepts without question that its members must remain politically neutral, and in consequence of this, anonymous. Whether we admire it or not, this is a remarkable political achievement. It would appear that this principle is outside the Committee's terms of reference: Civil Servants are to remain the confidential advisers of Ministers. It is, however, worth noting two points arising from the application of this principle. One is that it has had a marked influence on the view of administration discussed above. If the Civil Service is to serve impartially Ministers of differing opinions, and to adapt successfully the direction of administrative action to their political demands, there is a need for a group of advisers who have a certain detachment in relation to the policies of Governments as well as being uncommitted by their

professional interests. The second is that whilst few question the need to maintain political neutrality in the Civil Service, the maintenance of anonymity arouses increasing hostility and irritation. The more complex the web of government, the greater is the need for public enlightenment on the nature of the problems to be solved. Yet the principle of anonymity excludes from public discussion the very people who are best qualified to define issues and to explain the consequences of different courses of action.

20. Critics of the Civil Service have asserted that the passion for anonymity is a convenient way of maintaining the secrecy of government, and therefore of simplifying the Civil Servant's job. It is true that a tendency to secrecy is endemic in all bureaucracies, but this wholesale criticism of the British Civil Service is unfair. The linking of neutrality and anonymity has been willed by politicians. It is they who have encouraged so extensive an interpretation of the doctrine of ministerial responsibility, that it is no longer conceivable that a Civil Servant might give information and express opinions simply as a servant of the state, without any implication that he is thereby committing his Minister. Undoubtedly, if the relations between the higher levels of the Civil Service and the world outside government are to become closer and less inhibited, this situation must gradually be modified. Both Civil Servants and Ministers need to take a more relaxed view of what Civil Servants can say and write without infringing the principle of political neutrality or involving Ministers in political commitments. To reach a more realistic appreciation of the discretion which a Civil Servant must observe in his relations with those outside government will be a slow and difficult process. It will not even get started unless there is encouragement and support from those in political life.

21. These introductory paragraphs have concentrated on some of the more important conceptions which have governed the development of the Civil Service. They have not, however, operated within an environment closed to the rest of society. They have made sense only in the wider context of our political and social system. For this reason alone they possess a continuing vigour, even though the needs of government now suggest that their application should in some respects be modified. The impact on the Civil Service of the changing pattern of Government activity must now be considered.

The Expansion of Government

22. The fundamental change which has taken place in the period between the emergence of the modern Civil Service and the present time is the transition from a negative, regulatory view of the functions of government, to the acceptance of positive intervention by government on a scale to which scarcely any limits can now be set. This development has brought about far-reaching changes in the role of the Civil Service. These can be summarised as follows:

- (i) The powers exercised by Civil Servants on behalf of Ministers have increased enormously both in range and in the intensity of their impact on individuals and organisations. The area of administrative discretion is necessarily wider.

- (ii) Not only have the regulatory controls exercised by Governments increased in number. There has also been a striking growth in the provision of services which require the Departments to engage in what can be described as "constructive" work. Examples of this are the research and development work of defence establishments, the building functions of the Ministry of Public Buildings and Works, supervising the planning of new types of school, controlling the design of motorways. These and many other activities involve Departments in the application of scientific research and technology to the solution of particular problems. Nor is this work confined to the public sector. Nowadays much of it is directed towards controlling activities in the private sector of the economy.
- (iii) The expenditure under Government control now amounts to about 40% of the G.N.P. annually. This means that the efficient management of public spending, much of it in the form of capital investment, is at least as important as the traditional concern with regularity of expenditure.
- (iv) The expansion of Government has brought along all the problems of big organisation: personnel management, the continuous adaptation of organisation to new needs, the application of new techniques to the work of the Departments and the review of existing procedures have become major preoccupations of those responsible for directing the work of the Civil Service.
- (v) The range of specialised knowledge and techniques relevant to Government activity has widened beyond recognition. Of particular significance is the extent to which a wide understanding of the social and economic context of Government action has become important.
- (vi) The time-scale of public action has lengthened. Governments consciously plan for the future and decisions taken by one Government bind the next in a manner which stands in sharp contrast with the short-run emphasis in party controversy. For the administration provision is a vital condition both of success in achieving policies, and of being able to modify them to meet shifts in political emphasis.

23. When we are considering the implication of this expansion in government action for the Civil Service, we must not, however, overlook certain other factors which are equally important. Although Governments do far more than they used to, the political terms on which they act have not changed so significantly. Ministers still bear the full public and parliamentary responsibility for practically all the powers of Government. They and their officials operate in an atmosphere of accountability. Much government action is dependent too on the co-operation and goodwill of highly organised interests in our society, and to maintain this co-operation is a major function of administration. Furthermore Governments have to remain sensitive to the reactions of a wider public which modern means of communication have brought into closer and more frequent contact with the affairs of state. All these factors point to the continuing importance of judging the public acceptability of policies, and of selecting

suitable methods of explaining and presenting them. In the British context this cannot be a preoccupation only of politicians. It has to be widely diffused throughout the higher levels of administration.

24. The most important conclusions suggested by the expansion of Government activity are perhaps the following:

- (i) Specialised knowledge and techniques have an ever wider application within the Civil Service, not just as sources of advice, but as an integral part of the processes of formulating policy and carrying it out. This points to a reassessment of the division between administrative and technical functions, or in more concrete terms, of the relations between administrators and specialists in the Civil Service.
- (ii) The expansion of Government brings with it increased problems of co-ordination within the administration. Running the machine becomes more vital, not less so. This suggests the continued need for people who are by training and experience specialists in administration rather than in some scientific or technical discipline.
- (iii) The management of the Civil Service has become a major task, even though it differs in important respects from management outside the public service. This has implications for the training and use of personnel, and requires some change in the traditional conception of an administrator. But we must be careful not to overemphasise management, a point which is elaborated in paragraphs 25 to 27 below.
- (iv) The standard of the middle and lower levels of the Civil Service must be maintained at a high level. This is not just on grounds of efficiency. It is also because it is with these levels that the public is most often in contact. Public confidence in the ability and behaviour of these levels of the Civil Service vitally affects public acceptance of the extension of government action.
- (v) The greater complexity of Government—outwards in the scale of functions and inwards in the range and depth of knowledge relevant to successful administration—does not diminish the need for the exercise of political judgement in administration. It remains of major administrative task to preserve coherence in government, to balance competing claims and to assess the effects of one policy on the pursuit of numerous parallel objectives. We are not moving towards a technocratic structure in which all issues are decided by the application of quantitative analysis: there will remain a broad area calling for the exercise of political and administrative judgement. Here Ministers cannot act alone: they will continue to rely extensively on the help of those who specialise in the exercise of such judgement.

Management

25. This may be the most suitable point at which to comment briefly on the management function in the Civil Service. The expansion of Government activity and the increasing emphasis on the social and economic functions of Government have encouraged acceptance of the idea that it is the managerial

role of the Civil Service which is now of primary importance. It is widely believed that the problems of management in the Civil Service are in essentials similar to those of management in industry, and that much the same personal qualities and methods are relevant to their solution. This approach is superficial. First, it invokes the term "management" too loosely as a blanket conception, and pays too little attention to the need to break down and differentiate the tasks of management. Second, it seriously underestimates the extent to which important aspects of Civil Service work have no analogue outside the public service, and therefore require distinctive treatment. Thirdly, it overlooks the fact that the bureaucracy of the state cannot be wholly assimilated to other forms of bureaucratic organisation, at any rate not within the British political tradition. It has the task of maintaining law and order in the widest sense, it operates with the full and compelling authority of Government, and it must respect and be responsive to the political demands imposed on it.

26. The point about types of Civil Service work which are not found outside the Service can be illustrated as follows. The Civil Service must deal with (i) the whole range of parliamentary investigation and scrutiny, which calls for great accuracy and considerable political sensitivity; (ii) with the preparation of large quantities of legislation and statutory regulation, all of which must be capable of achieving in binding form the specific purposes of Ministers; (iii) with meeting the requirements of a controlling group (i.e. the Cabinet) which has a range of interests and a complexity of structure which is without parallel elsewhere; (iv) with the need to foresee and shape future developments, many of which raise issues of social and political value which outweigh the problems of cost and economic value. This list could be extended. It could be supplemented too by a description of the work of many Civil Servants, particularly administrators, which would confirm that they are not "managing" in any normal sense of the word. They are performing tasks which call for high intellectual ability, the gifts of lucid and logical exposition, discriminating judgement, and an awareness of the many-sidedness of practically all the problems which Governments have to solve. They are not engaged in management but in public administration.

27. What has just been said has influenced the approach in this paper to the structure of the Civil Service, to the kind of people needed in different parts of it, and to their training. As to the management functions proper, it is acknowledged that they have expanded greatly as a result of the more complex organisation of Government services, and of the transition to an interventionist, spending administration. But it is important to distinguish different aspects of management viz. controlling and adapting the organisation of Departments to their functions; financial control and the management of expenditure; personnel management; the study and introduction of new techniques of work. The distribution and scale of these management problems will vary according to the type and size of Department. Clearly the management problems of the Ministry of Social Security differ markedly from those of the Treasury or the Board of Trade, whilst those of the Ministry of Defence are unlike those of the Ministry of Education. It is important to maintain a discriminating approach to the whole complex of management problems. The management needs of the Civil Service are likely to be met more effectively by specialisation in function and

training within classes in the Civil Service than by trying to apply to the many and varied administrative functions of the Service a model of staffing and organisation borrowed from industry.

THE FUTURE STRUCTURE OF THE CIVIL SERVICE

28. The preceding sections have dealt in broad outline with some of the changes affecting the Civil Service. There now follows a more detailed consideration of ways in which the structure of the Service might be modified to take into account some of the factors already mentioned. The suggestions to be put forward do not rest upon an *a priori* statement of need, nor do they envisage a radical re-shaping of the Service. The aim is rather to consider how the process of adapting the Civil Service to the demands now imposed on it may be carried further, so that the Service remains an effective instrument of government, and at the same time able to offer careers attractive to men and women of talent and ambition.

The Administrative Class: Its Present Role and Limitations

29. The Administrative Class of the Home Civil Service consists of about 2,500 members, roughly 60% of whom have been recruited as direct graduate entrants, with the remainder consisting mainly of people promoted from the Executive Class of the Civil Service. It is responsible for control in the broadest sense of the work of all Departments, for the formulation of policy and for advising Ministers. It is emphatically a class of generalists. Graduates from all disciplines are recruited, but the majority of them have studied the humanities and the social sciences, subjects which have no single professional application. The training which its members receive is essentially one of gaining experience of administration, finding out in action how the machine of government works.

30. There are certain kinds of work which this class does extremely well.

- (a) Co-ordinating and controlling the organisation of Departments in order to provide the services which Ministers require and in the form best suited to their needs.
- (b) The explanation and justification of Government action, particularly in the Parliamentary context.
- (c) The preparation of legislation.
- (d) Ensuring that in the handling of problems as many aspects as are politically and administratively relevant are considered, and that consultation inside and outside Government is as complete as is necessary.
- (e) Servicing committees at all levels from Cabinet to branch working party.

31. The preceeding paragraph underlines the skill of the Administrative Class in day-to-day administration, and in the control of the central machinery of government. But what of the formulation of policy which is usually referred to as the primary function of this class? It is instructive to note what the Civil Service Commission says of this in its recruitment literature. Here it is stated that one part of the work of the administrator has no counterpart elsewhere "that of developing, helping to decide and carrying out policy on national issues under the direction of Ministers."¹ Further, it is the job of the administrator to "help to build up a complete, balanced and essentially sensible picture. This picture will be the distilled work, experience and wisdom of a number of people—including economists, engineers, accountants, lawyers, architects, doctors and other specialists—but the administrators will have made their own distinctive contribution, as well as putting the whole matter in its proper perspective."² In contrast there is no such reference to policy-making in the description of the duties of all other classes of the Civil Service.

32. These remarks convey more than a description of one aspect of the role of the Administrative Class. They communicate the philosophy of administration as well. They see policy-making as a process of adjusting diverse ends and relationships by the application of informed common-sense. And this is how, for the most part, administrators deal with policy question. Moreover, it is precisely because the administrator is so effective in the sphere of day-to-day administration that he can maintain (in most areas of Government) his grip on the shaping of policies. He remains the most important channel through which advice passes to Ministers because he works at the strategic points of control and he is trained by experience to ask the kind of questions which Ministers themselves will ask. And even though administrators are not free from the tendency to seek to impose some of their own views on Ministers, by and large their first concern is to satisfy Ministers and to ensure that the policies approved by Ministers can be successfully carried out.

33. But the Administrative Class is not free from limitations. The preoccupation with preserving the Minister's position is short-term. Advising Ministers, which is what many administrators are concerned with, does not always live up to its connotation of advising them on matters of importance. As often as not it means supplying Ministers with advice on ephemeral matters which have priority because they arise from the accountability of Ministers. It is often difficult for administrators to resist the influence of their short-term preoccupations, even though many are successful in doing so. Undoubtedly the environment in which most administrators work at some stage in their careers tempts them to neglect long-term thinking and planning, and at worst to regard such matters as an academic distraction. By experience and outlook the administrator has tended to be reluctant to accept the importance of quantitative methods of tackling policy problems and sceptical of the need for research. Moreover, like the politician the administrator is a bird of passage. He is in theory, and to a large extent in practice, suited to any form of administrative work. At one moment he handles policy for slum clearance, at the next water resources; one day he is on investment programmes for schools, the next

¹ *Civil Service Posts for Graduates 1966*, p. 4.

² *Ibid* p. 5. *My underlining*.

he may be starting to draft regulations for vehicle licensing. Rarely does he remain in one post for more than three years, except when he has reached a senior level. Inevitably his transience diminishes the authority of his contribution to policy making, particularly in those areas in which the background is specialised and complex. It may also be argued that because his tenure of a particular post is usually so brief, the administrator becomes too uncommitted to his work. His specialism is the mechanics of administration and the satisfaction of the political needs of Ministers. He may become too preoccupied with procedures, too anxious to find compromise solutions, too anxious to read the mind of his Minister. His lack of commitment tempts him to indifference towards the purposes he has to achieve.

34. By education and training the administrator cannot lay claim to specialised knowledge. Even if he is a specialist—for example, an economist—he is expected to subordinate this specialism to the outlook of the non-specialised administrator. There are now many activities of government in relation to which this lack of specialised knowledge may embarrass the administrator. He may find it difficult to put the right questions to his professionally-qualified colleagues and to assess the validity of what they tell him. In these circumstances either he gradually lets his claim to control policy-formulation fall into abeyance, or he holds on to it and runs the risk of misinterpreting or even ignoring the advice of those who understand technically the problems on which the administrator must reach decisions. The risk is that the administrator will grasp issues quickly, but will offer other facile solutions. The other side of this situation is the frustration of the professional Civil Servants. They may feel that their role is depressed by the dominance of the administrator who is at best a sieve and at worst an obstruction. Further, the advice they give may often be unrealistic simply because they are excluded from policy and financial responsibility.

35. It is these problems of the Administrative Class which have led to the charge of amateurism and dilettantism. For the most part this charge is unfounded. It fails to recognise that both the merits and defects of the Administrative class reflect important characteristics of our society as well as of our system of government. In addition to underestimates the extent to which many administrators do acquire a specialised knowledge of many aspects of government activity, besides possessing a grasp of how to operate the complicated network of government organisation. What is justified, however, is the suggestion that too often the administrator lacks a sufficiently professional approach to the treatment of his work: sometimes he cultivates the pose of amateurism, he may underestimate efficient office organisation, he may be *jeune* in his assessment of what kinds of research information are relevant to particular problems, he may lack the time or inclination to know and understand the background to his work, he may be unaware of how other organisations have set about dealing with comparable problems. The philosophy he has absorbed may make him worry too much about keeping the ship afloat, and not enough about where the ship is going.

36. Before coming to proposals for the future of this Class, it is necessary to refer briefly to another criticism frequently made. This is that it is too dominated by graduates of Oxford and Cambridge. In fact less than half of the

members of the class were educated at these universities, but it must be accepted that it is these universities which have shaped the intellectual outlook of the class and done much to give it the cohesion and *esprit de corps* which it undoubtedly has. As was shown in the Sixth Report of the Estimates Committee 1964-65 on Recruitment to the Civil Service, these universities still dominate the lists of candidates successful in the open competitions, even though the Civil Service Commission has recently been able to report some increase in the success rate for other universities.

37. Much has already been written about this problem, perhaps too much.¹ There is something maudlin in the preoccupation with it when we recollect that entry to the two older universities has been open to practically anyone with high ability for the past twenty years and longer. May be too it is time to challenge more vigorously the widely-held view that our institutions will always work better if their staff reflect more accurately the social composition of the electorate. All that will be said here is that the pre-eminence of Oxford and Cambridge in the Administrative Class reflects two facts. First, they produce relatively far more good general graduates than other universities. This is in part due to subject bias in these universities, and in part because entry to universities is selective and these two universities tend to attract a high proportion of the ablest students. Second, there is some evidence to show that there is a motivation problem. More students at Oxford and Cambridge show interest in a Civil Service administrative career than at other universities. This is a complex problem into which more research is required. But the solution must be found in influencing career motivation in the other universities, not in attacking the older universities because they happen to turn out a lot of people suitable for the needs of the Civil Service. In any event society is not static and it is likely that gradually these conditions will change. In the meantime the Civil Service must take the most able graduates it can get, regardless of where they come from.

Proposals for the Future of the Administrative Class

38. These will be presented under four headings. Their purpose is to preserve a high-calibre administrative corps, but at the same time to suggest means by which it may do more effectively some of the work it already does, and share its responsibilities more fully with other groups in the Civil Service.

Retention of an Administrative Class

39. The demands imposed by the British system of government require the maintenance of a small Administrative Class, composed of people educated in a variety of disciplines, of high intellectual calibre, and willing to apply their abilities to a wide and indefinable range of administrative work. Recruitment should continue on lines similar to current recruitment to the Administrative Class, i.e. by competition open to all graduates, by the selection and promotion

¹ The most useful recent treatment of it is to be found in the "Report of the Estimates Committee 1964-65 already referred to, and in particular in written and oral evidence presented to the Committee.

of persons of suitable ability in other classes of the Civil Service, and exceptionally, by the selection of mature candidates from outside the Civil Service who meet the requirements of the Civil Service Commission.

40. If this group is to preserve the sense of corporate identity and the prestige which makes entry to it an object of ambition to able young graduates and to men within the Civil Service, it has to be selected as an *élite*. Given the fact that the overall quality of the direct entry to the Administrative Class may have already declined somewhat as a result of competition from other sources of employment, it is unlikely that the intake can or should be increased much above current levels.¹

41. In this connection it is appropriate to refer to the proposal for a far wider field of recruitment of graduates put forward by the Treasury in the note on *The Future Structure of the Civil Service*.² This would involve merging the present Administrative and Executive Classes, and is designed to attract, in addition to a fair share of the most able graduates, an increasing number of those who at the moment would not qualify for the Administrative Class, but who are unlikely to contemplate a career in any other branch of the Civil Service.

42. The desirability of increasing the graduate intake into the Civil Service is accepted. But there are serious objections to achieving this purpose by abolishing the Administrative Class as a separate group, and by creating a single Management class into which *all* entrants, regardless of qualifications, would come in at the same basic working grade. This would be an essential feature of the Treasury scheme, despite the proposal for starring the best graduate entrants. Coming to the objections, firstly the market for the most able graduates is and will remain small and highly competitive. Competition comes not only from industry, but from the professions and above all the universities themselves. If the impression is given that entry into the higher levels of the Civil Service has become easier, that successful candidates will start at a level below that at which they start now, and that they may well begin with work which will fail to stimulate and excite them (all possible consequences of the Treasury proposal), there is little doubt that the best candidates will turn elsewhere. What is more wastage rates amongst new entrants, already fairly high in the Assistant Principal grade,³ could become higher if the Administrative Class were to lose some of the qualities which now distinguish it. Secondly, there are dangers in attempting to define, within a larger entry, those who measure up to the present administrative standard. According to the Treasury paper submitted

¹ *In stating that the Administrative Class should not be significantly larger than it is now one is assuming that at its present size it is large enough to meet the needs of the Service. Unfortunately reliable information on needs is lacking. It is admitted, for example, that Treasury figures of how many Administrative class entrants are required are rough and ready estimates. To some extent this is inescapable when one is working on a class as opposed to a position classification basis. Nor does the current official view that there is an acute shortage of administrative Principals always find support: it is understood that the First Division Association has strong reservations on this point. Certainly the writer of this paper knows of administrators who are very hard worked, but also of those who verge on unemployment. In any case to achieve a satisfactory workload distribution is, in the fluctuating conditions of Government, very difficult.*

² Memorandum No. 1.

³ *In the period 1954-65 out of all new entrant Assistant Principals about 15% resigned (88 out of 615). Even excluding those (women) who resigned on marriage, the proportion remains about 11%. There is no tendency for wastage rates to rise: on the contrary they show a downward trend.*

to the Committee starred entrants would be treated rather as Assistant Principals are now. The risk is that unstarred entrants would receive less than adequate attention after entry, even assuming that this form of discrimination were accepted as tolerable. The overall attractiveness of the competition would be diminished as the frustration of the unstarred entrant became known, and pressure would mount for the abolition of the practice of starring. This would probably be successful, and lead to a further decline in the overall quality of the class. Thirdly, whilst this proposal suggests a desire to move closer to the practice of big industrial firms recruiting generalist graduates for management, it runs the risk of underestimating the lower degree of flexibility which the Civil Service possesses in the handling of personnel. Large firms tend to recruit generalist graduates mainly on an assessment of personal qualities: their academic achievements are secondary. Having recruited the numbers they need, they can then decide at a later stage, probably at about age 28, which entrants merit special attention as potential top managers and plan their career experience accordingly. Those who are less promising will either remain at lower levels, or be asked to resign. The Civil Service lacks this freedom of manoeuvre. The probationary period is short and only in exceptional cases is establishment in a permanent post refused. It is not possible for the Civil Service to be ruthless in rejecting those who fail to come up to expectations, nor can it pursue as rigorously as industry the policy of picking-out high-fliers for special treatment.

43. It is maintained, therefore, that a high quality group of staff, specialising in general administration, is unlikely to be retained if the Administrative and Executive Classes are fused into one, with a large graduate entry into the basic grade. It is possible to devise a variation of the Treasury's proposal which would come nearer to maintaining a separate administrative group than does the scheme for a starred entry, and this is outlined in Appendix II. But for reasons already stated, and on other grounds which will become apparent in the subsequent consideration of the Executive Class, it is held that it would be wiser to retain a clear distinction between the classes composing the middle and higher levels of the general administrative side of the Civil Service.

Training

44. The reputation and the effectiveness of the Administrative Class is harmed by the exaggerated claim that its work can be best mastered by a combination of abstract intelligence and experience of the mechanics of government. The refusal to consider a more professional training for administrators has done much to stimulate the present criticism of the Administrative Class, and to diminish its attractiveness to candidates uninfluenced by its prevailing ethos. This state of affairs should not be allowed to continue.

45. In fairness to the Civil Service it must be stated that training for the administrative class has been improved during recent years. In particular the setting-up of the Centre for Administrative Studies in 1963, and the decision to send all Assistant Principals on a 20 week course there represents a significant advance on the thinking of the years following the publication of the Assheton Report. But the training given by the Centre is heavily weighted in the direction of instruction in economics and statistical techniques, a fact which suggests that

the problems of training have not yet been thought out sufficiently in relation to the needs of the Service. These are extremely varied, and for the work of many Departments neither economics nor statistics may be the most important disciplines that need to be studied. In addition progress has been made in providing management courses for administrators and professional staff at later stages in their careers, in making provision for interchange of staff with industry and other branches of the public service, and in granting opportunities to attend special courses and to study in universities. But the developments so far remain something of a patchwork. There is little sign of imaginative commitment to the proposition that a substantial amount of time and effort should be devoted to preparing administrators for the responsibilities which lie ahead of them. There is little of the spirit of professionalism to which the *Ecole Nationale d'Administration* is unashamedly committed.

46. Whilst it is true that a good administrator cannot be made by a course of training—he must learn his craft on the job—it is equally true that the time has come to recognise that in present conditions the chances of securing good and creative administrators will be greatly increased if, right at the outset of their careers, they are equipped more systematically with knowledge and experience which will serve as a foundation on which professional skill can be built up. Basically this knowledge and experience is of three kinds:

- (i) knowledge of the society in which the administrator works;
- (ii) an introduction to some of the methods of administration and to the techniques which have become relevant to good organisation and management;
- (iii) experience of selected areas of administration and critical reflection on these.

47. In theory the first requirement might be met if the entrance examinations were based on relevant subjects—chiefly a mixture of social sciences and public law. But in practice this is a non-starter in the context of the British system of higher education, and its adoption might well reduce drastically the flow of high quality candidates. It is, therefore, assumed here that the Civil Service must continue to recruit its Administrative Class mainly by a Method II type examination open to all graduates, and that in consequence it must itself provide both theoretical and practical training. The assumption that a graduate, whether in the humanities or in a natural or social science, is at the age of 21 or 22 sufficiently well-informed about the problems and structure of his society to be fit to proceed directly to the tasks of administration, must be abandoned once and for all. Instead the Service must accept the responsibility for completing the education of those who are to take a leading part in the control of administration.

48. It is proposed that it should be accepted that during the early stages of a man's career a minimum of two years shall be devoted to full-time training, this being in addition to and distinct from training on the job in the traditional sense. This period of two years might be divided up as follows:

- (i) For six months lectures, seminars, discussion and reading in the disciplines relevant to understanding the problems of contemporary

government and society. This means an emphasis on several of the social sciences, including public law. Economics, although important, would enjoy no primacy in this approach.

- (ii) For three months the study of the structure and problems of large organisations, of staff management and of the techniques of improving the efficiency of such organisations.
- (iii) For three months more specialised study of one or more subjects relevant to the entrants' likely fields of activity: e.g. economics for those going into finance and economic affairs Departments, social administration topics for those going into social service Departments.
- (iv) For one year a term of secondment. This corresponds to the French notion of "*depayage*"—taking the entrant away from academic study and from the central organisation he will later serve in order to give him experience, mainly practical, of administration in the field. In France secondment is normally to the staff of a *prefet*, to the decentralised services of the Government. In Britain it would have to be more flexible and varied. Areas for secondment might include regional offices of the Departments, outstations and establishments, local authorities, nationalised industry, private firms, bankers, and international organisations. It is recognised that organising this type of secondment and ensuring that candidates get proper attention and adequate experience is difficult. Much would depend on the co-operation of the receiving authorities. But in our highly centralised system of government it is imperative to counteract the purely Whitehall experience and mentality which so soon take hold of young men and women straight from school and university. Future administrators must be given the chance to understand something of the problems of organisations outside Whitehall with which they will later deal, and to see the relevance of these to their own activity.

49. The phasing of a scheme like this is a matter for experiment. The theoretical introduction should come at the beginning, preferably before entrants have been allocated to Departments. During the course candidates might be observed so that they could be allocated to Departments more in accordance with their interests and preferences than is the case at present. After the theoretical course candidates might then spend about one year in the Departments to which they have been allocated. Then phases 2 might 3 follow, after which there would be another period in the Department. Then in the fourth year after entry the phase of secondment could take place. This in turn would be followed by return to a post in the Department, after which there would usually be appointment to a Private Secretary post prior to the first promotion. This would take place at about the age of 29. It has to be recognised that a scheme of this nature does involve lengthening slightly the average time spent in the cadet grade. Some readjustment of salary scales might be necessary, and it is for consideration whether there should be a rather longer probation period.

50. Training on these lines must be closely linked with training on the job. Departments would retain a responsibility for seeing that cadet grade administrative staff are placed in posts providing the most useful experience, including the supervision of junior staff. They would also be associated with planning

the period of secondment. It is clear that this should as far as possible be closely related to the area of departmental activity. The training scheme outlines would be obligatory for all entrants under the age of thirty, regardless of method of entry. For older entrants it would be necessary to modify the training programme to take account either of their extended experience of the Civil Service, or of some career outside.

51. The responsibility for organising such training should rest with an expanded Centre for Administrative studies. It is important, however, that the management of this Centre should enjoy greater independence from the Treasury than it does now. Its head should be a person of independent status, and a significant proportion of its staff might be drawn from outside the Civil Service. This would carry further the use of people from universities, from other branches of the public service and from industry which has already been put into effect by the Centre for Administrative Studies. Paragraph 94 also contains a recommendation bearing on the responsibility for the Centre.

52. Training is not a process which is completed at the age of 28 or so. It is important for the Civil Service to continue to develop the opportunities already available for later management training, for secondment to other organisations and for sabbatical leave. In addition Departments should be asked to consider the possibilities of sometimes arranging for more mature Civil Servants to devote time to *ad hoc* training for particular posts. This might be theoretical—for example attending a business management course or a course in criminology—or practical, for example secondment to nationalised or private industry.

Career Planning

53. The benefits to be derived from training can easily be lost if staff are not used in a manner which relates their talents, interests and experience to the functions they discharge. This is an aspect of personnel management which has been played down in the Civil Service. Career planning has been seen rather in terms of providing reasonable career prospects—i.e. prospects of promotion—than as systematic policy of trying to see that staff are suited to their duties and that in appropriate cases the likely career path mapped out. Indeed there is reason to believe that the Armed Forces are well ahead of the Civil Service in career planning and in relating training to staff duties.

54. Traditionally the Civil Service has regarded the members of most classes as interchangeable with each other within a class, regardless of the character of the posts to be filled and the duties involved. This is now less true of the use of the professional classes, but it remains valid for the general classes, and in particular for administrators. This attitude towards the posting and use of personnel needs to be revised. Whilst the reference here is primarily to the Administrative Class, this recommendation has general application. It is accepted that Departments have to retain some flexibility in the moving of staff, and that consequently career planning will always remain imperfect. But far more could be done to assess what particular abilities staff have, as far as possible to relate postings to this, and to map out careers in advance, so that staff

have some idea of where they might expect to go. If a man is primarily good at financial control work and likes this, there may be a case for allowing him to specialise in this for a long period, perhaps permanently. If he is the kind of person with an original and probing intellect, he may be more suited to postings in which the emphasis is on study work and long-term planning than to posts demanding great skill in the handling of case-work and day-to-day briefings.

55. This approach suggests that the Civil Service should accept the need for more specialisation within the Administrative Class. Not only must we accept as was customary not so long ago, that most officials will as a rule spend their entire careers in one Department (except for such temporary secondments as they may enjoy), we must also face up to the need for specialisation within Departments. This means trying to avoid the rapid turnover in posts which is very marked at the Principal grade, and to some extent too at the very highest levels. (A particularly bad example of rapid movement at Principal level was given to the Estimates Committee in 1958 when reporting on Treasury Control of Expenditure when it was admitted that the average time in post was less than 2 years. A scrutiny of appointments at Deputy Secretary level in the Ministry of Transport between 1960 and 1966 shows that 9 people have held three posts, an average of 2 years per person per post. Of these 9 only 4 have had previous experience of the Department.) It is appreciated that the counter-argument will be advanced that there is benefit in bringing fresh minds to a Department and its problems. This is reasonable and necessary, but within the Administrative Class the Civil Service tends to make a fetish of this belief. It is time to recognise that in contemporary administration the fresh mind can often contribute little if unfamiliar with the complex background to a range of problems and activities.

The Administrator and his Policy-making Functions

56. We have already discussed the thorough-going separation between administrative and technical functions in the British Civil Service. A consequence of this is that generally speaking the administrator has the final word in the presentation of policy recommendations to Ministers, and in the taking of decisions of policy where reference to Ministers is not necessary. This is not to deny the reality of close consultation with technical and professional staffs. Nor does it ignore the fact there are some fields, notably defence, in which the professional military and more recently the scientific advisers have at the highest level long had direct access to Ministers. But the general pattern has been one of administrative class primacy.

57. The change in the character and scope of government functions has made the distinction in its present wide application a hindrance to effective policy-formulation and a source of frustration within the Service. In many fields policy issues are, as it were, embedded in the technical problems, and can be properly formulated only by those who understand, in a technical sense, the implications of what they are doing and proposing. It has become increasingly difficult to confine the specialist to an advisory role, and to do so involves a lot of time-wasting and often misleading translation. This means, therefore,

that the time has come to abandon, as a matter of general principle, the distinction between administrative and technical functions at the higher levels of the Civil Service. The problem has to be looked at pragmatically. Sometimes there may be good reasons for making the distinction, but equally there are many spheres in which it should go. We need to recognise that the administrator will continue to have a contribution to make to policy-formulation, if only because he is mainly responsible for the administration in the broadest sense. At the same time we must get away from thinking that policy can never be made without the administrator's "distinctive contribution" based on his alleged ability to put matters in proper perspective. Sometimes he will indeed do this, but there are many sectors of government in which it should be accepted openly that policy-making is a joint activity of all those concerned, or is placed fairly and squarely in the hands of technically-qualified Civil Servants.

58. This approach suggests, at first sight, a diminution of the administrator's traditional role. In some senses this is so. We must try to escape the mystique of the administrator as the omnipresent policy-maker. But at the same time it must not be forgotten that the growing complexity of government, the ever more complex processes of consultation and co-ordination, and the increasing importance of all aspects of management, will continue to impose ever greater demands on the general administrator. His role is not likely to lose in importance just because it is accepted that he no longer has primacy in one aspect of his traditional functions.

59. As mentioned already, the Civil Service has made some progress towards accepting changes of this kind. In many fields the relationship between the administrator and the professional expert is already one of close co-operation on equal terms. In particular there has in the last few years been a considerable move in some Departments towards the joint management of projects (including their financial control) and towards the formation of integrated groups of professional and administrative staff handling policy questions. And in the former Service departments and the Post Office there has long been at the highest levels a more complete integration of professional staff in overall management and policy-making than has been usual in the Departments with the traditional structure of parallel administrative and technical hierarchies.

60. Nevertheless we cannot rely on the inevitability of gradualness. It is recommended that there should be a comprehensive review of the functions and organisation of all Departments to determine those areas in which it is practicable and desirable to abandon the traditional division between administrative and technical functions, and at what levels. Clearly there remain many Departments in which few changes are needed, and in which the professional staff will work most effectively in a position advisory to or separate from the administrative policy-maker. Equally there are many areas in which the professional staff can and should play a bigger part in presenting policy recommendations to Ministers and in day-to-day administrative management. This might be achieved by an extension of integrated organisation as has already been introduced in several Departments, or it might call for an organisation which confers full policy responsibility on the professional Civil Servant, with administrators

working to him on those matters in which they are particularly competent. There is scope for different solutions to this problem, and no advantage in imposing one pattern.

61. This process of reorganisation needs to be accompanied by formal recognition that at the highest levels—above Assistant Secretary and its equivalent in other classes—positions should be so defined and filled that the structure of parallel hierarchies gradually disappears. It is rather too facile to say that posts should be filled by the best man, regardless of his class and specialism. Nor does one get very far by treating the members of all classes above a certain level as members of a higher management class. The first need is to define realistically the functions of the directing posts in Departments, taking care that at this level we overcome, wherever possible, the division between administrative and technical functions. It will then be a question of deciding which posts are best filled by people with administrative experience, and which by the professional expert. This recommendation is one aspect of a major structural change which is discussed in paragraphs 83 to 88 below.

62. It is considered that action on the lines suggested would go a long way towards overcoming the peculiarities of the separation of administrative and technical responsibilities, but would allow the continuance of this separation where it is justified by the nature of the activities to be controlled and on grounds of efficiency. It would meet the claims of the professional officials to play a bigger part in policy-formulation. Far from weakening the administrator his position may well be strengthened by an honest recognition of his limitations and of the need to concentrate his attention on those types of work which he performs best.

The Professional, Scientific and Technical Classes of the Civil Service

63. As is vividly demonstrated by the Factual Memorandum¹ submitted by the Treasury the range of specialist staff in the Civil Service is very wide. At a level roughly equivalent to that of the Administrative Class they number about 24,000. They fall into two main categories. One consists of those groups whose members have graduate and postgraduate qualifications which fit them for research and development work, the other larger and more heterogeneous group consists of the classes of Civil Servants with specific professional qualifications. (Members of the latter may also be and often are graduates as well). The most important and typical class in the former category is the Scientific Officer Class, the main function of which is to carry out and supervise Government scientific research. Examples of the latter are the Works Group of Professional Classes (engineers, architects, town planners etc.) and the Legal Class.

64. For the most part members of the specialist classes are expected to undertake work requiring the application of their specialised knowledge and professional skills. There is considerable evidence to show that this is in fact what the majority of them want to do. Good scientists are obviously attracted by the chances of doing valuable research work and by the facilities offered by Government establishments; engineers want to deal with engineering problems;

¹ Volume A, Memorandum No. 1.

lawyers prefer to stick to legal advice and the drafting of statutes and instruments; architects welcome the opportunities now available for participating in the work of architectural design and planning.

65. It is worth making these points to counteract the view that, because some specialists object to their relative exclusion from the elaboration and administration of policy, they are keen to give up a large part of their specialised work and to take up administrative functions instead. It is very doubtful whether this is so. Moreover, it is worth noting that professional education and training in Britain tends to encourage those who receive it to see themselves as technically qualified and competent technical advisers, rather than as administrators and managers using a professional or technical skill. One reason for this situation is that professional training has developed under the control of private bodies, concerned to produce candidates for the professions and later for industry, and with the whole emphasis on turning out people who are technically qualified to advise their clients, whilst leaving their clients to take the final decision. The classic case of this is, of course, legal training and the legal profession. In contrast, in many Western European countries professional training has to a large extent come under state control in one way or another, and consequently has taken more account of the fact that many of those who receive it will have a public service career. A vivid example of this is the legal training in Germany and the manner in which it is adapted to the needs of various branches of the public services.

The Future of the Professional, Scientific and Technical Classes

66. The Civil Service will continue to need separate specialist classes roughly similar to those now existing. It is assumed that they will continue to be recruited as at present, and that it is reasonable to offer candidates a specialised career which enables them to use the qualifications they have. There are four points of special importance to be stressed.

67. It is desirable to explore whether some simplification of the structure of specialist classes is possible. At the moment the tendency is for each professional group to go into a watertight compartment. (The creation of an Economists class is the latest example of this.) Whilst the separate professions will endure, and may even increase in number, it would simplify staff management and perhaps improve staff relations if means could be found of associating several classes into broader groups on the lines of the Works Group. This might in turn lead to an improvement in the pattern of staff associations.

68. The major change needed in relation to the specialist classes has already been dealt with when discussing the Administrative Class. Nowadays specialists at the higher levels are more and more involved in management work, in assessing financial questions, and in contributing to the formulation of policy. Indeed involvement in this kind of work is an inescapable consequence of a successful career in most of the professional services of Government. But too often the specialists' responsibility for these matters is either subsidiary or divided. He knows that the primary responsibility for policy, organisation and management rests with administrators. This may frustrate him, or lead him seriously to underestimate the importance of administrative skills which he may lack and

which he is hardly encouraged to acquire. It is suggested that the proposals already made in paragraphs 56 to 62 would go a long way towards meeting the claims and needs of the specialist groups. They recognise the desirability of integrating the technical and administrative functions wherever the nature of the services demands this, and they envisage that the specialist will take an increasingly large part, with full policy responsibilities, in the top management of Departments. In addition, of course, the members of the scientific and professional classes should continue to have the opportunity to move over to purely administrative work, preferably in the fields in which they have experience as specialists. But if there were a rapid development of a revised relationship between administrative and technical functions, it is reasonable to expect that this kind of straight transfer would remain, as it is now, limited in scope.

69. The training problems of specialists differ considerably from those of the general classes. In a technical sense the specialist is trained when he is appointed, or becomes so in applying his knowledge to the work he is given (e.g. the scientific research worker.) There are two main gaps in in-training. One, is that little is done by means of induction courses to familiarise the young entrant to a specialist class with the structure and problems of the organisation he is joining. Too often he is put into a particular branch or establishment, works in his own field, and remains largely ignorant of how his work fits into the broader picture of departmental functions. An effort ought to be made to fill this gap. This will depend chiefly on action by the Departments individually and jointly, but cooperation with an expanded Centre for Administrative Structure is desirable. The second point is that if we are to accept that the senior levels of the specialist classes are to play a bigger part in the management and control of departmental work, then it will be necessary to expand considerably the training facilities to prepare specialist staff for this. For some time scientific and professional officers have attended a variety of management courses alongside administrative and executive staff, but the coverage attained is small. It should become normal that at about the age of 35 all professional staff who have the prospect of undertaking a considerable amount of administrative and management duties should receive courses, extending perhaps to six months duration, which would prepare them for this transition. As for the administrative class, secondment to relevant bodies outside the Civil Service, might be an important part of such training. Provided there is a considerable expansion of the organisation of central training as recommended already, it should not prove too difficult to design courses which will be suitable for mature specialists who are nearing what might be described as the administrative phase of their career.

70. Finally, it is suggested that the Committee may feel it appropriate to encourage the Government to co-operate more closely with the private bodies responsible for professional training in the revision of their syllabuses and methods. A good deal of critical examination of traditional training is taking place, and there are signs of a willingness to recognise that training has to go beyond inculcating professional competence. It has to take some account of the administrative context within which professionals will work. There is no reason why the Government should not try to see that its needs are taken account of in this reassessment.

71. What has been said in these sections should not be read as discounting the progress made in the past 25 years or so towards bringing administrators and specialists into a fruitful relationship. Throughout the Civil Service working relations between the two sides are more often harmonious than not. But there remains a nagging sense that the specialist is just out of the mainstream of decision-making, and this gives him from time to time the feeling that he is a second-class citizen. It is imperative to move quickly towards a situation in which we no longer talk self-consciously of a general problem in the relations between scientists/professionals/experts and administrators. Particular problems there will always be, but as a general problem it should disappear.

The Middle and Lower Levels of the Civil Service (General Classes)

72. Britain has been fortunate in having for a long time a body of officials responsible for what is described in Civil Service terminology as clerical and executive work, who have maintained high standards of efficiency and reliability. The smooth functioning of administration has depended very much on their contribution. The principal classes in question are the Clerical Class, the Executive Class, and Departmental Executive Classes. Although there have been shortfalls in recruitment, especially very recently owing to increased demands, the overall picture presented by the Civil Service Commission is not gloomy. There are difficulties—for example in getting enough candidates for the Chief Inspector's Branch of the Inland Revenue—but there is no general crisis. The fundamental problem is that as the educational system changes, and produces a change in the formal qualifications and expectations of school-leavers, the Civil Service may encounter difficulties in maintaining the attractiveness of these levels of the Service in the face of competition from other forms of employment.

73. As far as the Clerical Class is concerned, the prospects of the Civil Service depend chiefly on speedy and decentralised recruitment (already in force to a large extent), on the attractiveness of the terms of service, and on the ability of the Service to project clerical work in the Civil Service as offering as good opportunities and as much interest as in any other industry or profession. It is perhaps important to make greater efforts to organise clerical services to the best advantage and to show more concern for efficient business practice and staff training. This remark, however, needs qualification. The big Departments providing services direct to the population do already devote a lot of attention to staff training, to the efficient use of clerical manpower and to techniques of office mechanisation and automation. It is in the more traditional central Departments that clerical services are often poorly organised and inadequately trained. This is partly caused by the inability of the Administrative and Professional Classes to deal effectively with the problems of office management. This aspect of Civil Service management calls for sustained attention.

74. The more serious problem affects the Executive Class (both General and the Departmental Classes). This is the need to catch more of the good "A" level candidates who formerly came into the Service, but now go on to the universities. They do not turn in large numbers to a Civil Service career because the Executive Classes are no longer so highly esteemed, perhaps also because the prospect of working in London discourages many applicants from the provinces. (It

would be worth investigating whether a career in London is marginally more attractive to people who have been brought up there or nearby. This may affect recruitment adversely at various levels. Perhaps there has been enough propaganda about the disadvantages of life in the capital.)

75. The question of recruitment to the Executive Classes cannot be considered without referring again to the question of structure. One of the principal arguments in favour of merging the Executive and Administrative Classes is that in this way the middle levels of the Civil Service will become more attractive, and the recruitment of candidates with a higher education will be furthered. The new Management class would have, it is thought, a certain status appeal, and the possibility of rising to the top which it offers would be an inducement to candidates who would otherwise not consider the Civil Service as a career.

76. As explained already, it is considered that the benefits which might be derived from this course are somewhat speculative, and the price in terms of weakening the Administrative Class too high. Equally the effects of reorganisation on these lines on the classes below the Executive should not be overlooked. At present a very high proportion of the Executive Classes enter by promotion from other groups. If a single Management class were to retain even a tolerably high standard, it is inconceivable that there should be opportunities for advancement into it from below on anything like the present scale of movement from the Clerical to the Executive Class. But if this were so, the lower levels of the Civil Service would be deprived of opportunities for promotion which they now possess. This would be damaging both for standards and morale. The approach adopted here is, therefore, that it is desirable to retain the Executive Classes to man the middle levels of the Service, and that entry to them should be by promotion and by competition. The chief problem which faces the Civil Service is to ensure that the Executive Classes can offer careers which are attractive both to "A" level candidates and to a larger number of capable graduates. Various measures to this end might be considered.

77. One step which is suggested is the introduction throughout the Executive Classes of a cadet entry grade for graduates. This is already done in some instances such as the Departmental Executive Class of the Ministry of Labour. This grade would have to be treated as a training grade, and after three or four years in it entrants would be expected to have qualified for appointment to something equivalent to the present H.E.O. grade. (In financial terms this would compare favourably with what is offered to Administrative class entrants.) A subsidiary point arising out of this proposal is that the Civil Service Commission should consider offering appointment to such a cadet grade to all suitable candidates who are unsuccessful in an Administrative Class competition. This might attract a number of people who are rather better quality than the majority of the 100 or so graduates now recruited annually into the Executive Class. In addition it should be accepted that all cadet entrants at the age of 28-30 will automatically be asked whether they wish to enter an annual competition for entry into the Administrative Class. This would represent a development of the present arrangements for limited competitions. The arrangements for theoretical training and secondment for administrative cadets would then apply to successful candidates.

78. It is further suggested that the attractiveness of the middle levels of the Service would be enhanced by efforts to achieve greater specialisation within it. Already there is some specialisation within the Executive Class, not to mention the specialised Departmental Executive Classes. Accounts, finance and contracts are very much the domain of the Executive Class. There seem to be possibilities of identifying a greater number of specialised branches of Executive Class work than is done at the moment. It is not suggested that there should then be separate recruitment to each, but candidates could be informed of the range of specialisms, and at entry account could be taken of their preferences. (A good example of what is meant is audit work. At present it is carried out mainly by executive Civil Servants. Their competence is high, but their prestige low. A departmental class of Auditors could be formed as a sub-division of the Executive Class, and it might become policy to build up the Audit service as primarily a graduate body.)

79. The preceding proposal also bears on training. In many Departments training for executive entrants is rudimentary. In others (particularly those with large executive staffs who organise big blocks of work and deal frequently with the public) the position is far better. And in some cases, for example the Chief Inspector's Branch of the Inland Revenue, there are arrangements for ensuring that staff get a professional training. This neglect of training, combined with the fact that much of the lower grade executive work is of poor quality, does much to depress the public view of the class. Admittedly there are serious difficulties. The intake is large (over 3,000 annually at the moment) and many are promoted from the Clerical Class and are mature people. Obviously it is unlikely that lengthy courses can be provided. It should, however, be practicable to ensure that all entrants receive an effective induction course soon after appointment, followed by a further and more sophisticated course after two or three years in the Service. It is not unreasonable to envisage that the two periods of training would amount to about three months for 18 year old entrants, and six months for graduate cadet entrants. For the more specialised sections of the Executive Class which, it is hoped, will become more numerous, more extensive and professional training would be needed. It might, for example, be found that some entrants are particularly suited to staff management work and would benefit from a training in personnel management; others might be candidates for organisation and methods, for which again a more professional training might be given than is customary at present.

80. What has been suggested on training does not apply only to the graduate entrant, although if numbers of these increase the tendency would be for more emphasis in the training effort to be on them. But it will remain important to ensure that the direct entrant at age 18, and the promotee from the clerical class have opportunities related to their potentialities, and a fair chance of keeping level with the graduate entrant. Although the trend is towards a larger university population, it is likely that for many years to come a considerable number of relatively able young people will prefer to embark on a career either immediately or soon after finishing school. They have got to be assured that there are satisfactory prospects awaiting them.

81. This leads to a comment on the kind of work done by the basic working grade in the Executive Class. It is impossible to generalise in relation to a class

whose duties are so varied. But there is some evidence to support the view that many junior Executive staff are given work which is uninteresting and below their capabilities. Not surprisingly they become disillusioned, and even if they remain in the Service, their experience helps to diffuse the belief that the Executive class offers a relatively drab career. This should be counteracted not only for the sake of efficiency in the Civil Service, but also in order to show that a career in the Executive classes offers stimulating opportunities. Departments might be asked to review, in conjunction with the Treasury, the work carried out by Executive Officers, and to re-grade posts in which the duties are less exacting than the grade demands. These steps should permit the Civil Service Commission to present a more detailed and accurate picture of Executive class work than is possible at present.

82. A probable consequence of the policies advocated is that the blurring of distinctions between the lower grade of the administrative hierarchy (the Principal grade) and the higher levels of the Executive Class would continue and even intensify. This is something which worries some people in the Civil Service. The anxiety seems misplaced. There is really no reason why, in a particular branch, there should not be two posts which by reason of their functions are suitable for an Administrative Class Principal, and two others which are best filled by a senior member of the Executive class. Indeed, there is no point in maintaining a small salary differential between the two grades of Principal and Chief Executive Officer. It should be recognised that one grade is near the top of one hierarchy and deserves the same remuneration as the other which is at the lower end of a different hierarchy. And if the professionalisation of the Executive Class were carried further, there is no reason why it should not then come to contain far more posts carrying salaries equivalent to the higher Administrative Class salaries, recognising that though the duties are different, they are equally important to the Service as a whole.

OTHER PROBLEMS OF ORGANISATION AND STRUCTURE

The Departmental Structure

83. At the moment there is, generally, a system of parallel hierarchies in Departments. There are on the one hand technical or professional ladders, on the other an administrative ladder with an executive base. Unity is reached at the top in the person of the Permanent Secretary who is nearly always an administrator. (There are important exceptions to this pattern in the Defence Department and in the Post Office. Also there are examples of technical hierarchies which do not reach up to the Permanent Secretary, but end up at some level below him.) The striking thing about this arrangement, apart from the manner in which it expresses the administrative/technical dichotomy, is the dominant position it gives to the Permanent Secretary. We tend to assume that monocratic control on these lines is normal and necessary. But in fact this is not so. The office of Permanent Secretary is a peculiarly British invention. It has no place in the bureaucratic organisation of many countries in Western Europe, nor in the U.S.A. In Western Germany where Departments are headed by an official known as the State Secretary the post corresponds to deputy minister rather than to that of Permanent Secretary. In France the office exists in only two or three departments, and then in a somewhat diluted form.

84. The functions of the Permanent Secretary, as defined by the Plowden Report on the Control of Expenditure are threefold:

- (a) to be the chief source of advice to Ministers;
- (b) to control and manage his Department;
- (c) to take overall responsibility for the expenditure of money as Accounting Officer.

This trilogy of policy-making, management and financial control is reflected in the conception of the role of the whole class to which Permanent Secretaries belong, the Administrative Class. There is some evidence, including a number of comments by people who have held this office, which suggests that the burdens of the post are, in present conditions, too heavy in many Departments for one person. Or to put it another way, whilst there are men and women who are ready to shoulder the job, few of them can do full justice to all three aspects of it. From the point of view of the efficient working of a Department we place great reliance on the continuing availability of something approaching administrative supermen. Even in the Civil Service such phenomena are rare.

85. There are persuasive arguments for having a single departmental head. It is convenient for Ministers to have one principal adviser to whom they can turn; it is held that the responsibility of Accounting Officer cannot now be separated from that for policy and overall management; it is thought desirable in the interest of knitting a Department together that there should be one hierarchical superior; and it may be argued that the existence of something resembling a club of departmental chiefs mitigates interdepartmental conflict. On the other hand there are weighty objections. The post of Permanent Secretary is to all practical purposes the preserve of the Administrative Class, a fact which symbolises the frustrations of other important classes in the Service. In practice the Permanent Secretary is normally no longer the only channel of advice to Ministers, who in most Departments consult widely with officials at lower levels and in different classes. The office is a standing temptation to over-centralisation: this is very often resisted, but not always. The burden on the Permanent Secretary is so heavy that he can normally concentrate his attention only on a few fields of work. Alternatively he is a conciliator, who irons out awkward personnel problems and acts as a long stop for his subordinates. In this event his contribution to policy work may be minimal. Above all, the retention of this post in its present form and occupied by an administrator, does stand in the way of other forms of top-level organisation which might yield better departmental management and help to overcome some of the previously mentioned difficulties between classes in the Civil Service.

86. These considerations point to the recommendation for the phased introduction into Departments of a Management Board system for their direction and control. This in effect means learning from the example of those few Departments which already have something on these lines, and from public and private corporations. At the top of the departmental hierarchy there should be a number of posts, roughly equivalent in status and salary to a Deputy Secretary in the present structure. Each post would carry responsibility for a broad segment of the work of a Department. One would normally be finance,

and its holder would be Accounting Officer. Another would take Organisation and Personnel. The others would take the main areas of departmental policy and technical management. It is essential to stress that this is not intended to reproduce the present parcelling out of policy duties amongst administrative Under Secretaries, with the heads of specialist divisions alongside. The aim would be to secure a range of posts in each Department conferring full responsibility for administrative and where appropriate, technical functions. The number of such posts—which might be called Director General posts—would vary according to the functions of the Department. There might be a minimum of four, rising to twelve or so in some cases. Collectively the Directors General would constitute the Management Board.

87. The problem arises whether, in this structure, the Permanent Secretary would survive, and if so, with what powers. In large and complex organisations there is usually a need for some one person who is the hierarchical superior and who can, therefore, resolve problems on which those who are at the same hierarchical level cannot reach agreement. This particularly applies to personnel questions. It might, therefore, be thought that the Permanent Secretary should be retained as chairman of the Management Board. The difficulty in this solution is that the historical prestige of the office is such that he might well dominate the Board and Department as he can at the moment, and the change would achieve little in terms of corporate management. It is suggested that it would be better to take the radical step of abolishing the office of Permanent Secretary altogether. Two consequences might follow. One is that the Minister would take over formally as Chairman of the Management Board. The other is that the need for an official arbitrator of issues which cannot be resolved by individual members of the Board, (and with which Ministers ought not to be troubled) could be met by making the member for organisation and personnel the senior member of the Board, with the status of vice-chairman. In practice he would deputise for the Minister at routine meetings of the Board.

88. A number of additional comments in elucidation of the proposal are needed:

- (a) The members of the Management Board would be drawn from all the relevant classes of the Service. In those cases in which the member belongs to a professional class he might also remain head of that class within the Department, provided it is recognised that this does not establish a relationship of vertical control between him and members of his professional class working in divisions coming under other Board members.
- (b) The Board arrangement would offer the opportunity of more genuine corporate management than does the present structure. It would as a general rule abolish at the top level the division between policy-making and other functions. (The position of chief Legal Adviser might constitute an exception to this.)
- (c) The Board would have a collective responsibility for all recommendations on major departmental policy issues, but subject to its deliberations every member would report directly to the Minister on matters

within his own area of responsibility. Clearly on many issues the Board as a management group would not need to be involved.

- (d) Within the divisions reporting to Board members the progressive integration of different types of staff could take place. For example, a Board member with largely technical responsibilities might have a substantial administrative staff working to him. Equally a Board member with primarily administrative functions might have technically qualified staff reporting to him.
- (e) Within the departmental hierarchy some simplification should be possible. To take the administrative ladder as an example, the rank of Under Secretary (perhaps under a new title) would be the normal apex of the hierarchy. By definition posts above that level would be open to any class. Below Under Secretary there should be no need for more than the two grades of Assistant Secretary and Principal, together with the cadet grade. This simplification would have the advantage of overcoming the tendency at the moment for far too many levels in the hierarchy to be consulted before decisions are taken. Given such a reduction in the length of the hierarchy, it would also be desirable to increase the number of posts at present graded as Assistant Secretary, and to lower the age to about 36-37 at which an able Principal could attain this rank. The extent to which it is difficult to distinguish the quality of work done by senior Principals from that carried out by Assistant Secretaries also justifies this change. Nor need this simplification be confined to the administrative side. Indeed the proliferation of different grades is far worse in the professional classes, mainly to meet status and salary claims. Here too efficiency, and in the long run career prospects, could be improved by a simpler structure.
- (f) The disappearance of the Permanent Secretary should allow Ministers greater flexibility, both in getting advice from the Department and in the development of their private staff. It is a peculiarity of British government that Ministers are restricted in their choice of personal advisers: normally they depend upon small personal staff which is chosen for them by the Department. There are grounds for believing that in the future Ministers may be more anxious to secure around them a personal staff whom they select themselves, including persons who are to some extent committed supporters of ministerial policies. In short this means a move in the direction of the "cabinet ministeriel" as it operates in France. The presence of powerful permanent departmental heads has always stood in the way of any growth in the ministerial offices: they have been confined to a more or less secretarial role, with relatively little scope for explaining the Minister's views to the Department or communicating Departmental preferences to him. The time has come to recognise that we cannot expect Ministers to go on accepting a situation in which the modesty of their personal staffs puts them in a position of marked inferiority *vis-à-vis* the Departments.

89. In concluding this section it can be emphasised again that commitment to Board Management as a general rule (some exceptions might be justified, especially in small Departments) would have a considerable impact on this

problem of administrative versus technical functions. It would demonstrate clearly that there is no longer one hierarchy which reaches to the top and others which stop short of the top.

The Civil Service Commission and its Functions

90. It is not intended to offer a full discussion of the role of the Commission. Ample evidence of its activities and outlook is already available, notably in the Report and Evidence of the Estimates Committee 1964-65. It does, however, appear desirable to make a few remarks about two problems, recruitment policies and methods, and the functions of the Commission.

91. The Commission is required to recruit by public competition. As already noted in paragraphs 6 and 7 the competitive element in recruitment is declining. This does not, however, mean that competition will disappear entirely. Like any other employer the Civil Service is entitled to reject even qualified applicants who do not appear to meet the standards it sets for each group of staff. And if it is to maintain high standards for entry, it must continue to exercise this right. In particular for the higher levels of the Service it is to be hoped that a sufficiently large number of candidates will be forthcoming to maintain the challenge which a reasonably stiff competition presents. As to the public character of competitions, this is bound to be maintained in the interest of ensuring fair and impartial selection of candidates. But it does impose certain handicaps. It means that the procedures of the Commission must be rather slower and more ponderous than those of private industry, and this weakens its position in a highly competitive market. Consequently it is vital for the Commission to be as flexible as possible in its handling of recruitment. This means, amongst other things, frequent competitions for the larger classes, continuous recruitment in some instances, decentralised competitions, etc. The Commission has already gone a long way towards applying such policies: the important thing is to develop them continuously in the light of changing conditions in the market for recruits.

92. In its projection of the Civil Service the Commission has still not got rid of a slightly Victorian flavour, despite efforts to enliven its literature and to streamline its advertisements. From literature about the Service the impression still seeps through that entry is a privilege and that the Service lives an atmosphere of rather strait-laced probity and hierarchical cosiness. To the younger generation this is off-putting. The Commission cannot go in for flashy commercial advertisement, but it is still possible to envisage a more friendly, more challenging and more down-to-earth picture of careers in the Service. (A small example of what is meant is the reference in the comments on administrators to young men "devilling" for their seniors. It all rather suggests the law courts and fags at public schools. Even if young administrators have to do this sort of thing, it is no good putting it like this nowadays.)

93. When it was set up in 1855 the Commission was charged with recruitment. To that generation this was the key to a better Civil Service. Unlike Public Service Boards in a number of other countries its responsibilities do not cover

any other aspect of staff management. In Britain all management functions except recruitment rest with the Treasury and the Departments. If we were starting from *tabula rasa* we should probably set up a Civil Service Commission to take overall charge of recruitment, training and promotions and postings at the higher levels. Some aspects of grading of staff and completing might also fall to such a body. But any scheme for expanding the Commission on these lines can be ruled out. That the principal finance and economics Department has so much responsibility for the management of the Civil Service is unusual. Yet it is an arrangement which is deeply embedded in the structure of British administration and in British thinking about financial control. It would be impracticable, at least in the near future, to divest the Treasury of large slices of its Civil Service responsibilities.

94. One step which might, however, be considered is the surrender by the Treasury of one of its management functions which has little financial significance. This is training and education. The removal of these responsibilities from the Treasury would not have serious effects on the overall control of the Civil Service, whilst the transfer to the Civil Service Commission could have invigorating effects on that body. This is accordingly recommended. Action in this direction would call for a strengthening of the Commission's staff and of its administrative services. It might be expected to assist the Commission in its recruiting duties by reason of the closer contact with departmental needs which it would bring. It is assumed that whatever central training establishment exists would also come within the Commission's area of responsibility. It is not considered that a measure of this nature would call for any change in the present allocation of ministerial responsibility—i.e. the Chancellor of the Exchequer would continue to answer to Parliament.

A Unified Grade Structure

95. There is in the Civil Service very considerable complexity of grading within classes, and in consequence in the salary structure. Much time is spent in arguing about comparability of grades and salary differentials, and the relations between classes are complicated by this situation. Many bureaucracies have a more standardised grading and salary structure, into which different types of official can be fitted, without serious arguments about who is equivalent to whom. In Western Germany, for example, there are four levels in the public service,—lower, middle, superior and higher. Salary levels are then classified numerically, so that Groups A1 to 4 cover the lower level, A5 to 8 the middle level, A9 to 12 the superior level, and A13 to 16, and B1 to 11 the higher level. (This is a highly simplified summary of the system.)

96. What one might envisage in this country is three levels of the Service, A, B, and C. (This might be more acceptable than the terms higher, middle or lower.) Salary scales might then run something like 1 to 4 in level C, 5 to 9 in level B, and 10 to 18 in level A. It would then be necessary to decide what the points of equivalence are between classes, after which salaries could then all be brought into line within given ranges of the scale. Some reduction in the number of grades in some classes would be required. In practice, it would then be possible, to give a few examples, to put the Executive Class on exactly the same

grading and salary scale as the Experimental Officer Class, members of the Legal Class on the same scale as administrative staff, and members of the Works group on the same scales as the Scientific Officer Class. If the highest level were that of Director General as envisaged in this paper, the post would be classified as Class A, salary group 18. The professional attachment of occupants would be immaterial.

97. It is readily admitted that this is no more than a very rough indication of how this matter might be approached. It is clear too that there would be formidable difficulties in the way of negotiating such a unified grading and salary structure in the face of numerous and tenacious interests rooted in the present system. But it is recommended that attention should be paid to the possibility of a development on these lines. It is a problem on which there would be advantage in collecting comparative evidence from the practice of other countries.

CONCLUDING REMARKS

98. There are two great permanent and professional bureaucracies in the Western world. One is the French, the other the British. Each has developed a deep sense of corporate identity and each in a striking manner reveals a correspondence between the character of the bureaucracy and the political traditions of the society. In 1945-46 a process of reform and change in the French Civil Service was initiated. Whether one approves or not of the principles on which this was based, and of the results, it cannot be denied that the French Civil Service has in the past 20 years given proof of remarkable ingenuity and skill, and has added to the prestige it has long enjoyed. In contrast there is a mood of doubt in the British Civil Service. Its reputation has suffered from a stream of often ill-informed and captious criticism. It has been accused alternately of having too much power without responsibility, and then of lacking the knowledge and purposiveness which modern government requires. It would be unrealistic to claim that the Civil Service now enjoys that degree of prestige which it ought to have if we are to retain the principle of a permanent, non-political and professional service.

99. Yet the history of the administrative change and political decision in the past 20 years does not justify a sweeping condemnation of the Civil Service. It has coped effectively with the rapid extension of the social and economic services of the state, it has controlled the mounting volume of expenditure with a degree of efficacy not bettered in most developed countries, it has remained incorruptible and faithful to high standards of intellectual integrity, it has shown flexibility in adapting its organisation both to the demands of successive Governments and to the need to exploit new techniques of work and management, and it has continued to fulfil its major political role of providing Ministers with the support they need in order to govern. This is no reason to conclude that the Service is diseased and in need of major surgery. What is required is rather the restatement of certain principles, and a modification of the structure and outlook of the Service to take account of certain needs which have to be met if it is to discharge with the maximum efficiency the responsibilities now placed on it.

100. As to principles, the view expressed in this paper is that we need to reaffirm our intention of maintaining a Civil Service based on the belief that the profession of government is a vocation, for which at each level of it one is justified in seeking the highest standards of ability. This approach has admittedly an élitist flavour which is out of fashion. But fashions change, and before diluting this view of the Service and of the kind of people wanted in it, we should be clear about the consequences for the character of our public administration and for the political system. As to outlook, the main need is for a more professional attitude which admits the value of training and specialisation. In the contemporary Civil Service there can only be players: the gentleman has had his day. As to structure, the principal need is to move towards a fusion of the administrative and technical functions in those areas of government in which this separation has lost all practical justification. If we go forward on these lines there are grounds for hoping that the British Civil Service may experience an upsurge of confidence similar to that which its French counterpart experienced after reconstruction in the spirit of its own traditions.

Summary of Principal Recommendations

- (i) An Administrative Class, open to all types of graduate, should be retained. (Para. 39). This should remain fairly small, and distinct from other groups concerned with general administration. (Para. 42.)
- (ii) Training for the Administrative Class to be developed to include one year of formal instruction, one year of secondment outside central government and up to four years of practical experience in departments (Para. 48.)
- (iii) Responsibility for administrative training, and for other types of training as far as is practicable, to rest with a Centre for Administrative Studies (Para. 50), which would be brought under the Civil Service Commission. (Para. 94).
- (iv) Career-planning for all types of senior staff is of major importance, and should be given more attention. (Paras. 53-54.)
- (v) The distinction between technical and administrative functions should, at the higher levels of management and control, be progressively abandoned. (Para. 57). There should be a comprehensive review of Departments and their functions to this end. (Para. 60).
- (vi) It follows that the Scientific, Technical and Professional Classes must be more closely associated with policy-making and general administration. This is to be met by the policies proposed in Paras. 56-60 dealing with the functions of the Administrative Class.
- (vii) The possibilities of bringing together some of the Technical and Professional Classes in order to reduce the number of small classes should be considered. (Para. 67.)
- (viii) Induction courses and management training for the specialist classes need further development. (Para. 69.)

- (ix) The possibility of official discussions with the private professional institutions to investigate the prospects of revising their courses of study to take more account of the administrative needs of large organisations should not be excluded. (Para. 70.)
- (x) The maintenance of separate Executive Classes is recommended, subject to measures designed to make the former more attractive as a career to graduates. (Paras. 76-78.)
- (xi) Further specialisation and professionalisation within the Executive Classes is recommended, as one method of raising standards and attracting graduates. (Para. 78.)
- (xii) It is suggested that in most Departments control should, subject to the Minister, rest with a Management Board, presided over by the Minister, and consisting of Directors General, responsible collectively and individually for the principal functions of the Department. (Para. 86.)
- (xiii) The office of Permanent Secretary should, as a general rule, be abolished. The need for there to be an official head of a Department might be met by appointing a suitable member of the Management Board as Vice-Chairman. (Para. 87.)
- (xiv) Although there are serious problems to be overcome, the Treasury might be asked to consider the possibility of introducing a more consistent and unified grading and salary structure than exists now. This would solve some of the questions affecting comparability and salary differentials. (Paras. 96, 97.)

APPENDIX I

It is understood that the Committee is examining the practices of a number of other countries. This note has no pretension to discuss other Civil Services in detail. Its purpose is merely to offer a few general comments on the relevance of comparative evidence.

- (i) A Civil Service is influenced enormously by the political conventions and requirements of the country in which it operates. Similarly, it is influenced by the extent to which administration is centralised, de-concentrated from the centre outwards, or decentralised as in a federal or quasi-federal system. All these factors make cross-fertilisation between Civil Service systems difficult and hazardous.
- (ii) The chances of discovering practices and techniques which, subject to modification, may be borrowed are perhaps greatest in relation to the details of administrative practice. For example, with regard to the improvement of staff relations and morale, to training methods, and to techniques of increasing office efficiency. The broader principles of administrative practice and staffing usually reflect so closely the legal framework and the social and political traditions of the country in question, that transplantation is impossible, even though the comparison may be valuable as a means of stimulating critical reflection on one's own problems.

- (iii) Of the major Western countries it is probable that France yields the most useful suggestions relevant to British problems. In particular the French have tackled vigorously the task of providing systematic training which produces generalist administrators of high calibre, imbued with a spirit of professionalism. French administration has also, to a significant extent, overcome the problem of the separation between administrative and technical functions, and far more than the British Civil Service, has produced the technically-qualified administrator. These matters are worth closer study.

Comparison with the U.S.A. is probably less profitable. This is partly because of the differences introduced by the federal structure of government, but also because of the American preference for thinking in terms of defining jobs and the qualifications required for them. This renders the whole approach to staffing the Civil Service different from the British. What is more the prestige of the public service is far lower than it is in Britain, and there is an acceptance of government by competing agency which is alien to British administrative and political habits.

In Western European countries it is noticeable that the structure of public law is more clearly defined than in Britain. Administration thus takes place within a more rigid legal framework, and this is reflected in the tendency for general administrators to have a legal training. Western Germany is the pre-eminent example of this. Here again fruitful comparison on a broad front becomes difficult or impossible. Or it may be found that one or more of the basic assumptions of the British system is lacking, as for example in Sweden, where over the bulk of public administration ministerial responsibility does not apply as it does in Britain. This permits a species of decentralised administration which cannot be envisaged in this country for political reasons. On the other hand no European country draws to quite the same extent a distinction between administrative and technical functions as does Britain: a study of these countries can at least suggest reasons why this is so.

- (iv) The drift of these remarks is that comparative evidence is more useful in explaining differences of practice than in suggesting reforms which might be imported. One must admit that both we and foreigners do as we do for our own good reasons.

APPENDIX II

The Administrative and Executive Classes: Note relating to paragraph 8 of the Treasury paper on the Future Structure of the Civil Service.

The Treasury's proposals for the merging of these two Classes apparently envisage that the graduate entry, including those who are "starred", would enter Grade VIII, the basic working grade of the new management class. Promoted Clerical Officers would also come into this grade, whilst "A" level entrants would join it after about three years in a cadet grade. Graduates might expect to spend about five years in Grade VIII.

Some of the objections to this proposal have been discussed in the present paper. They would in part be met if the scheme proposed by the Treasury were modified to provide for three cadet grades, one for "A" level entrants, another for normal graduate entrants, and a third for "starred" graduate entrants. Promotion from the first cadet group would be into Grade VIII of the new structure; from the second cadet group into Grade VII; and from the third cadet group into Grade VI. Service in the first cadet group would last about three years, in the second about four years, and in the third from five to six years.

The effect of these modifications would be to permit a fusion of the two classes, but to recognise different points of entry and differences in normal career expectations. For the exceptional person promotion beyond his normal career expectations or advancement into a higher cadet group would, of course, be possible. The Treasury scheme as it stands appears to overlook the fact that a unified class structure does not logically require a single point of entry.

MEMORANDUM No. 134

submitted by

MR. W. J. T. KNIGHT

Senior Quantity Surveyor, M.P.B.W.

February, 1968

The preface to the "Evidence to the Committee on the Civil Service" submitted by the Institution of Professional Civil Servants,¹ implies that the document is supported by the various Professions. However, the Professional Staff Branch of the Ministry of Public Building and Works, which represents the professional staff of the Works Group in that Ministry and therefore the majority of Works Group professional staff in the Civil Service, disagrees most profoundly with the concept of a so-called Technology Group in which Technical and Drawing Office Grades are to be made to appear to be equal in all respects to Professional Grades. The Committee of the Professional Staff Branch did all it could to persuade the National Executive Committee of the I.P.C.S. to correct this false picture but without success and it did not feel that it could properly approach you direct. Unfortunately I have only recently learnt of this conclusion, but, now that I have and in spite of it being so late, I feel that I must take it upon myself to convey to you and your Committee what I believe to be the views of all or very nearly all of the Professional Staff of the Works Group.

2. Members of your Committee, who will have realised that the eventual practical effect of the National Executive Committee's proposal will be to lower the standards of the Works Group by elimination of the professional element, will have wondered how it is that the professional staff concerned could have allowed the proposal to be put forward. The answer is that it is partly due to the overwhelming preponderance of non-professional grades in the I.P.C.S. coupled with an unfortunate mistake in procedure which resulted in the National Executive Committee being able to claim that the proposal had the support of the appropriate committee of professional staff.

3. While I assume that your Committee will agree that the I.P.C.S. proposal to amalgamate the Professional Grades of the Works Group with the non-professional grades, is thoroughly bad, including, in the long run, for the Technical and Drawing Office Grades, I also assume that it will want to know our answers to the arguments put forward by the I.P.C.S.

4. A difficulty in trying to answer the I.P.C.S. case is that, while the Evidence tries to imply the contrary, it does not actually set out any reasoned arguments. All it does is to set out a few deficiencies or supposed deficiencies of the present

¹ Memorandum No. 38.

organisation and state (without explanation) that the only way to overcome them is to amalgamate the classes. Of the supposed arguments advanced, the following are probably meant to be the most telling:

- (a) Amalgamation of the classes would make it easier to allocate a post to a Technical Grade when the work of the post became technical rather than professional.
- (b) Separate classes impose artificial barriers to promotion.

5. Regarding (a), the Evidence does not explain how describing certain Technical, certain Drawing Office and certain Professional Grades by one name makes it any easier to decide whether the work is professional, technical or drawing office quality. In fact, of course, the difficulty or otherwise is not affected except that, with amalgamated names, there is the additional complication of having to distinguish in the records between a man who is really a (for example) Quantity Surveyor and one who is really a Quantity Surveyor's Assistant. If both are called Quantity Surveyor, it is probably obvious that friction is likely, while the need to decide whether the post is Technical, Drawing Office or Professional, remains.

6. The difficulty in regrading posts, in so far as it exists at all, is due to trouble makers. In the main, it should be for the appropriate Professional Grade Manager to decide how a post under him should be filled and this he can almost always do without special difficulty.

7. To say that separate classes impose artificial barriers to promotion is completely untrue. If a Technical or Drawing Office man becomes fully qualified for promotion according to the agreed standards, there is no barrier to his promotion so far as I have ever seen. Naturally he is not and should not be promoted if he is not as fully qualified as the normal entrant to the grade in question.

8. In various places the Evidence tries to suggest that there is really very little difference between the work of a Professional on the one hand and the work of a Technical or Drawing Office Grade on the other. While the work of the three classes can be described in ways which mask the differences and while it is not always easy to define the duties in words which make the difference obvious to anyone not having an intimate knowledge of the work concerned, the differences are profound. Essentially, the work of a Technical Grade is work carried out in accordance with quite clear and definite rules laid down in the past by the appropriate Professional and it is carried out under the guidance and general supervision of a Professional. Similarly, the work of a Drawing Office Grade is the preparation of drawings (as distinct from original designing) according to well established practice and in accordance with directions given by the appropriate Professional.

9. In objecting to the I.P.C.S. proposal to amalgamate the Professional Classes with the other two classes of the Works Group, we do not intend to imply criticism of the other proposals affecting the Works Group. For none of these other proposals, however, is it necessary or desirable to amalgamate the three Classes of the Group.

10. I would conclude by drawing attention to the main and inevitable effect of amalgamating the three Classes of the Works Group. It is that the new Group would come to be regarded as being composed entirely of Technical and Drawing Office Grades. It would be regarded in this way not only by Private Practice and by the Higher Civil Service, but also by potential Professional recruits, so that it would become increasingly true. That this is the certain outcome can be checked by looking at the relevant parts of the Civil Service as it was before the war when there was not the same insistence on professional qualifications.

MEMORANDUM No. 135

submitted by

MR. E. M'EWEN

April, 1967

Engineers in the Civil Service

1. Having seen the problems from a university, from the Scientific Civil Service and from industry, I would like to add to the C.E.I. Evidence¹ and to clarify the verbal discussion of it.

2. First it must be said that the training of a modern professional engineer is at least as good as that in other disciplines in so far as it fits its recipient for the highest managerial and administrative posts. In the nature of engineering, man-management is an essential part of the duties of even quite junior engineers who have to manage teams of draughtsmen or craftsmen. Moreover, the properly trained professional engineer is deeply cost-conscious: he is keenly aware that the best way to control cost is in the original design stage. No amount of subsequent "value engineering", or other cost-reduction programme, can do more than trim off excessive fat: the basic cost is inherent in the complexity and feasibility of the concept. He has, too, been trained in manufacturing techniques, either as a production engineer himself, or in the methods available for his kind of product and will therefore know how to make a design economically or design for economic manufacture. I do not believe that those recruited directly into the Civil Service get the same exposure to cost as is the case in competitive industry, partly because of the lack of the profit motive, and partly because finance is not his responsibility: in fact, he puts cost in without having the onus of taking it out. This is an argument for mobility into and out of the Service.

3. It may be remarked that mobility into and out of the Service into public and private industry is necessary for the best development not only of the engineer but of other civil servants: it is, for example, desirable for cost accountants and labour managers too.

4. It is essential for economic solution of technological problems that the professional engineer be a party to the original specification or requirement. Any engineering problem contains in it incompatible desirables and the solution contains compromise. The weight given to the desirability of the various elements of the specification will have a great influence on the cost of the project. Not only has it been said that an engineer can do for £10 what any damn fool can do for £50; it is also said that any can build a bridge that will stand up but

¹ Memorandum No. 72.

it takes an engineer to build a bridge that will only just stand up! If you tell an engineer to design you a reel-type lawn mower, that's what you'll get, and at its inherent cost. But tell him that you want the grass kept short, and he will consider not only the reel type, but cutter-bar types, rotaries, flail types, chemical and hormone methods, and even goats and geese. The engineer must take part in drawing up the specification and not just be presented with it. Of course, others must also take part in it: many of the boundary conditions are fixed from quite different considerations such as those of the user, national policy to encourage a region or an industry or domestic materials, etc. And there must be adequate feed-back between the technological development of the project—be it a weapon, electrification of the railways, development of a natural-gas grid—and the policy-making body of which the engineer is a full member.

5. It must be recognised that some engineers do not make good managers: nor do a similar proportion of those trained in other disciplines. For these, the Civil Service Special Merit System is admirable. But for those who show a management bent it is necessary to carry out career planning, including courses in, say, management and finance. I should like to feel that specialised training of this nature were on a multi-disciplinary basis; and that the participants should include students and teachers from industry as well. I believe that not only cannot we afford to maintain the dichotomy between engineers and scientists and administrators in the Civil Service but the wall between the Service and industry must come down.

6. In this connection, changing requirements can lead to under employment in Government Establishments of scarce technological and scientific manpower: it is a dreadful thought that such teams should be looking for something worthwhile to do.

MEMORANDUM No. 136

submitted by

MR. D. L. MUNBY

*Reader in Economics and Organisation of Transport,
University of Oxford and Fellow of Nuffield College
(Assistant Director, D.E.A. 1964-1966)*

January, 1967

1. I am an economist who worked full-time for the Department of Economic Affairs on the Regional Planning aspects of the National Plan from the end of 1964 to the end of September 1965. During this time I also worked on transport policy, which is my specialism. From October 1965 to December 1966, I worked part-time (two days a week in term, three days outside term) on transport policy. My position was that of Assistant Director. I spent a good deal of time in committees of various kinds (official committees on transport and regional policy, regular committees such as the Road Programme Committee and the annual investment reviews of the nationalised industries, *ad hoc* committees on such matters as port investment projects, the third London airport, the Channel Tunnel, the South-East review, urban traffic restraint, etc., forecasting committees on population and working population, many particular *ad hoc* meetings with the Treasury and M.O.T., working parties, etc.). I also wrote papers on economic and policy matters, sometimes for internal circulation, sometimes for committees outside the department. I was responsible, in so far as anyone was responsible, for the regional planning chapters of the Plan. I had one or two economists working for me most of the time.

2. Before entering the Civil Service in this way, I had had no previous inside experience of British government, though I had not formed a very favourable view of its competence in economic matters within my own knowledge. On the whole, my experience did little to inspire me with more confidence in the Civil Service, though it has made me realise more clearly how immensely hard-working Civil Servants are, how extraordinarily efficient they are at making work a machine that is not very well designed to meet the needs of modern government, how extremely competent in the production of well-argued, precise documents which sound convincing to anyone not an expert in the subject-matter, and how attentive to detail in a way that puts to shame many academics. One might sum up my views by saying that their tactics are superb, their strategy muddled, and their organisation ludicrous.

3. I should add that I have never studied government or administration, and I doubt if I have read a single book on it. I entered the Civil Service as an innocent abroad, and my views are worth no more than those of a participant observer for a limited and particular period in a particular department doing two particular

jobs. On the other hand, this gave me a fairly wide experience of a considerable number of inter-departmental committees where I met a wide range of people across Whitehall, though particularly in the Treasury and the Ministry of Transport. I should add that I have had a fair experience of committees of various kinds in the outside world, not confined to academic life.

4. What follows is treated under a number of heads:

1. Agreement.
2. The politics of the Civil Service.
3. Organisation of work (with particular reference to committees).
4. Office organisation.
5. The role of outsiders.
6. Co-ordinated government.

5. Before discussing these topics, I add a few comments on my impressions of the personnel of the Civil Service. I expected to find the "Treasury type", very competent at analysing a problem and seeing all round it, rather academic in approach and cautious in coming to conclusions. Such people are indeed to be found. Indeed there are far too many people in the Civil Service, particularly high up and in important positions, who do not want anything new to be done, are convinced that little new can be done, and know all the arguments and moves which will prevent anything being done. But on the other hand I was surprised to find a considerable number of "management" types, who want to get things done. Unfortunately, too many of them are bull-dozing personalities who do not see all round a problem, but have made up their minds on what is required before everything has been looked at, and then proceed to push it through by the use of the same methods as those who want to prevent anything being done. Rarer are those who genuinely want to get something done, but are ready to adjust to the realities and complexities of the situation and, if one way forward is blocked, try another until something is achieved.

6. In general, the variety of different kinds of people who carry out similar duties is surprising and encouraging. What is less encouraging is the wide spread of competence at any given level, and the considerable number of those who are in jobs not suited to their capacities and interests.

1. Agreement

7. The major fault of the Civil Service is undoubtedly the pressure to agree. This means that at crucial stages issues are fudged and disagreements are ironed out in terms of smooth formulae, so that those at the top are prevented from knowing the real issues. Frequently a report of a committee shows a bland agreement, when the reality has been a dispute between two or three different points of view. This occurs not only within a department when divergent views lower down are not revealed to Ministers, but also between departments. Not of course universally, because departmental differences are real, quite apart from divergent Ministerial views which influence departmental views lower

down. But there is every pressure to produce an agreed view, no doubt partly because the machinery of government is so complex that there is every danger of disintegration if there are not strong pressures to work together.

8. The assumption seems to be that Ministers are incapable of deciding anything, and need to be told exactly which line to follow. Civil Servants are in general cynical about Ministers' capacity to take unpleasant decisions or to decide anything at all. But they continue to press agreed views on Ministers, even when Ministers by their actions make it clear that they do not agree with the views presented to them. (Of course, there are times when Civil Servants are agreed that the line Ministers want to take is wrong, and it is right that they should press their views on these matters.)

9. In general, the British system seems to be based on the assumption that Ministers decide policy and Civil Servants carry it out. It works according to the premise if Ministers know the subject, know what they want and ask Civil Servants to carry it out. Civil Servants then respond magnificently. But Ministers are often not given the opportunity to know what the real issues are, these being hidden behind inter-department reports and departmental briefs.

10. The moral is that Civil Servants should be explicitly recommended to produce statements of disagreement where disagreement is real, so that the state of doubt and ignorance is truly presented to Ministers to enable them to make up their minds (and the same goes for Permanent Secretaries).

2. The politics of the Civil Service

11. The amount of pure politics in the Civil Service rather surprised me; that is to say, the use of purely political arguments to rule out policies before full discussion had taken place, this at the lowest levels and rather thoughtlessly, and the discussion by Civil Servants of ways to help Ministers in their in-fighting with their colleagues. This is perhaps anomalous in a system which rigidly separates Ministers from Civil Servants, though it probably results from the practice whereby Ministers never meet Civil Servants from other departments and Ministers collectively never meet Civil Servants collectively. Thus, though mitigated by the inter-departmental committee system and by the collective self-consciousness of the profession, Civil Servants are the servants not of the public or the government, but of Ministers (see later, under section 6).

12. There is also, as in any organisation, a purely Civil Service politics, division versus division, department versus department, individuals versus their colleagues, etc. What is interesting is the way these political struggles are rarely brought into the open, and never admitted, unlike for example academic politics, which is over-rationalised and over-publicised by the participants. Civil Servants would seem to be closely engaged in a power-game, and are extremely clever masters of the tactics, which consist largely in preventing the circulation of information until it is too late. (The inefficiencies of the procedures for the circulation of information and the lateness with which papers normally arrive makes it easy to play the game and difficult to detect how much is due to muddle and how much to policy.) But there is very little open admission of the realities, which are

suppressed into the subconscious. The game is played with the utmost saavity and friendliness, open bad temper and annoyance being extremely rare and socially frowned upon. Partly this is due to the highly mature and sensitive recognition of the common responsibilities of the Service and the fact that an "enemy" of today from a department across the table may be tomorrow's colleague in the same department. But the failure to recognise the realities, though it has the advantage that the acceptance of other people's plots as muddles enables one to get away with one's own plots, nevertheless tends to confuse situations and to encourage the smooth formulae of agreement referred to above.

3. Organisation of work

(a) Committees

13. A great deal of time of senior Civil Servants is spent in committees. These vary enormously from the informal departmental staff discussion of one or two people working in a common field to the fully organised inter-departmental committee at the other extreme. The purposes vary, some are concerned with keeping people informed (whether within a department or between departments); others involve a complicated diplomatic process of sounding out opinion and reactions from other departments; others have the straightforward duty of producing a report for Ministers or others. The latter, whether a working-party for a main committee, or a committee producing a report for Ministers, may be regarded as the classic type; it is with these I am mainly concerned.

14. Though the reports produced by these committees all look solid and contain a great deal of statistical matter and argument about the subject, the appearance may be deceptive. It is not always the case that the result in fact brings together the knowledge that may be available in the country or even in departments, or that may be obtainable with little effort. Time is of course often a determining factor. But one often suspects that much more relevant information is available in departments but not produced or processed, perhaps because a department does not want to provide evidence which would undermine its considered policy, perhaps because those responsible are unaware of its importance. It can always be argued that the relevant statistics cannot be made available in suitable form in time.

15. A great deal depends on the chairman. Chairmen are chosen because of their rank, and it is assumed that Assistant, Under, Deputy and Permanent Secretaries should naturally chair committees. They are not necessarily either suited to doing the job, or trained to doing it well. My impression is that they do not do it well. As a result a great deal of time is wasted by very busy Civil Servants. A vicious circle sets in. High Civil Servants are very busy, and, because they spend so much time in committees, they do not have time to read the papers which are the basis of the committee's work. Frequently the chairmen have not read the papers which are the sole agenda of the meeting. A great deal of time is thus wasted at the meeting and there is less time to read papers.

16. There does not seem to be any training of higher Civil Servants for the work of chairmanship, or any study of how efficiently they perform their work overall, i.e. the balance of time spent in committees and studying papers. So many bad chairmen produce a bad training ground for future chairmen.

17. The essentials of the matter are the organisation of the work of the committee, the actual preparation and discussion of papers, and the preparation and discussion of the final report:

18. (a) The greatest weakness is probably to be found in the first step. One sometimes gets the impression that a committee allows itself to be submerged in a flood of papers by inadvertence. Departments offer to produce papers on matters dear to their hearts, others drown the crucial issues in a mass of more or less subsidiary matter (usually easier to handle because dealing with a precise technical issue of limited importance). If the chairman has no clear idea of the main problem at issue, and he is not chosen necessarily because he is an expert in the field, it may take some time before the committee emerges to the surface. Some committees flood themselves with undigested statistics. It is now accepted in Whitehall that every matter must be discussed quantitatively, and figures produced. But there is little training in figures, or how to present them or argue from them. (Departments producing figures, e.g. the Ministry of Labour and the G.R.O., are reluctant to analyse and present their figures in a form that makes them relevant to a thesis; others, such as the Ministry of Housing, which do not produce many statistics, are good at producing theses from other department's half-understood figures.) In short, there is no child's guide to a chairman on how to study a problem and produce a report on it. Fatal mistakes may be made in the first ten minutes of a committee's meeting, which sets out along a path of great labours that does not lead to the desired end.

19. (b) The actual papers may not be an adequate basis for decisions for reasons suggested above. The discussion of them is often inadequate, partly because of the obsessive habit of following through the paper page by page rather than taking the major issues, partly because the papers have not been read by those involved. But on the whole this part of the proceedings is not badly done.

20. (c) The writing of reports is usually left in the first place to the secretaries and junior people. This can lead to bad presentation and a considerable waste of time by the committee as a whole. In particular, the failure to present figures sensibly and to use them often leads to great confusion. The art of writing a text round tables of figures (in contrast to producing acres of figures in appendices, which are not supposed to be read) seems almost unknown, except to economists and statisticians, and there does not seem to be any training in it.

21. The discussion of the report often takes a great deal of time, and much time can be wasted by dealing with drafting details in the main committee, though often this is avoided. At this stage horse-trading sets in, and truth is compromised for agreement (see section on "Agreement"). The final result may hardly reflect the real disagreements and points of substance that have been debated at the committee. A more or less emasculated draft goes upwards to be further emasculated as it moves higher.

22. Apart from the actual working of committees, committees are set up to do jobs which could better be done in other ways (see example (d)), and the function of particular committees is not always clearly borne in mind by chairmen and members (e.g. a committee whose whole purpose is to be a diplomatic forum

in which departments can inform themselves of the views of other departments and assess the strength of their convictions turns itself into a debate about the substance of matters, though no one is going to be convinced by the arguments and most of the participants may only have the haziest ideas of the substance of issues, which have been thrashed out seriously at lower levels. Much British government consists of miniature meetings of the United Nations Assembly).

23. Examples

- (a) A committee of twenty to thirty people sitting about once a week for 2-2½ hours with an enormous problem to deal with. Under Secretary in the chair. First draft of report produced by secretary, a Principal. Proceedings opened by secretary reading out mistakes in draft; "Page 3, line 5, add comma before 'and'". Page 6, line 12, for 'on' read 'of'. Page 10, line 6 'economic planning councils' in capitals", etc. (Admittedly, included were some points of substance.) This draft was subjected to several rewritings and emerged totally different from the first rough shot. The nonsense was only stopped at the second meeting when I suggested that this was a waste of a lot of busy people's time.
- (b) A committee of ten to twenty people discussing a final draft report. Temporarily an Assistant Secretary (Treasury) in the chair in place of an Under Secretary. Clearly drafting detail was important on matters of substance. On one point I suggested that the precise date should be added for certain figures, which involved recasting the sentence, but involved no point of substance. The Chairman proceeded to think out a redraft, write it down in long-hand, read it out, and then proceeded "No, that's not quite right", and repeated the exercise again. It could perfectly well have been left to the Secretariat.
- (c) A regular annual programming committee meeting under Treasury chairmanship to discuss a department's programme for the following years. The committee met for 2½ hours weekly or fortnightly over a period of months. A large part of the report consisted in setting out the figures of the previous year and the way previous plans had to be revised in view of changes since the previous year. The figures never got cleared up and the complexities of the various estimates sorted out logically until the final drafting by the Treasury. The department started the exercise with confused and incoherent sets of figures never clearly set out, which looked as if someone completely new to the problem had been given a few days to present the papers. It would have been perfectly possible for the department to draft the backbone of the report before the committee met, leaving the committee to discuss the major issues of policy and the new figures for future years, instead of which many meetings of fifteen to twenty-five people met and pursued the issues by question and answer, eliciting new papers by a painful process of cross-examination. The chairman was, of course, responsible for this waste of time as well as the department.
- (d) A committee of ten to twenty engaged in annual forecasts. The figures are decided by the committee off the cuff, taking account of the past year's forecasts and results and past trends. The agreed figure is some sort

of compromise between the figures presented by various people, and becomes the approved forecast. No paper was presented by the department mainly responsible for the figures, setting out their suggestions and arguments on the basis of the past. Of the people present only some had detailed knowledge of the problems, and others only had knowledge of particular aspects. When I suggested to the chairman that the best way to proceed would be for the main department to produce a paper to be criticised in detail by a small working-group and then finally discussed by the main committee, it was argued that the method had worked well in the past and there was no reason to change it. This does not seem the job of a committee organised in this way.

(b) *Briefing*

24. The same matter is hashed over several times in successive briefs as a report goes upwards. An Assistant Secretary briefs an Under Secretary, an Under Secretary briefs upwards to the Deputy Secretary (this stage may be left out), and both the Permanent Secretary and the Minister. Thus three briefs may be prepared on what is basically the same document. A certain part of the brief concerns recommendations of policy, and there is every reason for the widest circulation and discussion of this. (The briefs are circulated sideways and various people intervene, discussing new lines of approach or disagreeing with the proposed draft, so that the process is in essence much more complicated.) But a great deal of any brief is taken up with a summary of what is in the paper or report in question, it being assumed that the higher officer will not have read it. A great deal of time is thus wasted in producing summaries at different levels and stages on the assumption that papers will not be read, and reading briefs in fact wastes time that could be spent on reading the substantive paper. Briefs may be anything from two to ten foolscap pages (double-spacing); of this something like two-thirds and three-quarters may be pure precis. It is not suggested that precis-writing is not a good exercise, and that a precis may not be important for busy Ministers (and possibly Permanent Secretaries). But it is suggested that, as most reports include an elaborate presentation in terms of a summary, introduction, conclusions, and summary of conclusions, much of this sort of briefing at lower levels is unnecessary. Briefs could normally take the form, as they sometimes do, of a short indication that paras. so-and-so should be read, and that the department should take this line rather than that. Briefing of chairmen for meetings on the assumption that they will not have read the papers (which seems usual) should stop, as it merely encourages waste of everybody's time. If a chairman has not time to read the papers, he can always call in his juniors and ask them to tell him the points at issue, which is likely to save more time.

25. A good deal of the trouble arises because papers are circulated often at much too short notice for people to read them, and in not enough copies for the people who have to see them to do so. This is not always easy to rectify, but improvement is perhaps hampered by the waste of time on briefing as well as by the waste of time in committees.

(c) *Drafting*

26. It is clearly important the papers for Ministers should be well presented, as should reports for publication. But too much emphasis is often placed on

drafting points in papers which are only for discussion among intelligent people who know the matters at issue.

27. (Example. A paper I produced on a matter of economic argument to represent the department's view to an inter-departmental committee. The theses were generally accepted, with some justified amendment on some points and some toning down of the emphasis on others. The paper was first redrafted by a Principal who rewrote the English throughout, quite acceptably to me, though as the points seemed to me to have been clearly made at the beginning, it seemed rather a waste of time. The redraft was then discussed in a small meeting and the final points of substance were settled. It was then sent up to an Under Secretary, who not only raised one or two points of substance or emphasis, but rewrote the English throughout for the third time. The final draft was no doubt much better, but the major part of the total labours was on purely drafting points, not any points of substance, which were cleared very quickly. The whole exercise seemed an absurd waste of very busy people's time, as the paper was going no further than the committee in question.)

28. The moral of all this is that there is no-one who makes it his business to study how higher Civil Servants spend their time, and to make suggestions as to how it might be more fruitfully spent. (My only experience of an O. and M. visitation was so utterly futile and inspired no confidence at all in what they were doing; but I do not imagine that they would regard what I propose as coming within their scope.)

4. Office organisation

29. The work of the Civil Service essentially consists of the preparation, discussion and circulation of paper. The speed and efficiency of communication in general are fundamental to the whole work. If Civil Servants do not have an adequate supporting organisation of secretaries, messengers, filing systems, etc., their work suffers. As suggested above, much bad organisation and waste of time occurs because papers do not circulate quickly enough. This is made worse by the pressures of the political system for quick responses to the ever-changing balance of forces.

30. In spite of the importance of office organisation, it does not seem to get the attention it deserves. Prestige appears to go with policy-making, and organisation comes second. To compensate for this, "establishment" is set up as a separate empire on its own with its own rules and organisation—another division among others. Instead of being the servicing organisation for the work of a department, it becomes a separate part of the department. It is further hampered by the fact that far too many matters vital to the efficient work of senior officers are decided by people with inadequate understanding of the work (and probably inadequately paid).

31. No doubt my views are coloured by my experience in a new department, made up of pieces of different departments and some new and more or less experimental branches, which naturally took some time to settle down. But this provided a splendid opportunity to tailor an organisation to the specific needs

of a new situation. Instead of which an organisation was created no doubt according to principle, which took little if any steps to find out what "the customer required", resisted strongly any proposals for change, and worked on the principle that the customer was usually wrong and the establishment knew what was right. Specifically, members of establishment division sat in their offices and only came near their clients when called for. (The only exception was very early on in my experience when I was asked what titles I wanted for files and a visit was paid by the registry. Subsequently, when I had a clearer idea of what services I should want, I was approached only when I took the initiative.)

32. To illustrate. Registry resisted proposals for changes in file numbering and organisation in spite of continuous pressure over a long period from users, the filing system having been taken over uncritically from the Ministry of Labour. When at last the dam broke and the change was made, they admitted the new system was an improvement. In my own particular case, I asked for a minor change which would make my work easier, was first told it was quite impossible because of the requirements of the Public Records system for disposal of files after 5 years (which argument I discussed and found quite untenable), and only won my point by taking the matter to the head of Establishment Division. (All that I asked for was that when the physical file on a particular subject was full and had to be continued on another physical file the same number should be used, with perhaps an A, B, etc. or /1, /2, etc. Hitherto, files were numbered on the accession number principle. The major reform referred to above involved a classified system of numbering by subject, which of course included in itself my minor proposal for reform.)

33. A major matter is the provision of adequate secretarial assistance. P.A.s are in short supply, probably because the government does not pay them enough. The D.E.A. therefore made use of secretarial agencies, who provided what were supposed to be trained secretaries, no doubt at considerable cost. Some were of the best, including my first P.A. who stayed for 5 months until she had to leave for family reasons. After which over the course of 11 weeks I had eight P.A.s, unfortunately the silly season coinciding with the busiest time in the preparation of the National Plan (these included two Americans, one Australian, and one girl from Eire). Though the rather junior person responsible for providing the service said that the department asked for "continuity of service", in fact many of those who came made it clear that they only wanted to work for a week or so before taking a holiday or were doing a holiday job, were almost completely untrained, and sometimes completely irresponsible. Having filled in their cards, they would arrive in my office on Monday morning and I would then have to explain to them how to answer the phone, how to type a minute, how to file papers, etc. Establishment Division in effect neither selected nor trained the secretaries they got from agencies, and left it to me to do the job. Nor, when it was pointed out to them, did they seem to think it was any business of theirs. (In fact, when I was asked to stay on beyond my original contract to the end of September, 1965, I made it a condition that I was provided with a trained P.A. Some action was taken to ensure this, but nothing was done about the general problem, and I still had to take steps myself to insist that the condition was carried out.)

34. The moral of this is that something needs to be done to see that establishment acts as a real service agency in touch with its customers and sensitive to their requirements rather than as a branch of a department with its own independent work to do in the setting up of an abstract and separate organisation of its own.

35. One final point may be made about all these various aspects of organisation (sections 3 and 4). Many of the detailed points made above may seem trivial and unimportant. The criticisms may seem too perfectionist. But they are after all criticisms of administrators for their failures in their peculiar expertise of administration. It is no defence to say that Civil Servants are better administrators than university teachers or voluntary workers. One surely expects a Civil Service to be efficient at its own speciality and with the wealth of talent in British government one can ask for the highest standards. That higher Civil Servants are exemplary in their devotion to their work and in making-do-and-mend within a creaking machine is no excuse for the rigidities and imperfections of the machine. The root failure is the lack of attention given to the organisation of the work and of the machine.

5. The role of outsiders

36. A few words about this may be relevant. I am convinced from my experience that there is great advantage in bringing in "outsiders" for limited periods, both as a stimulus to the Civil Service and for the benefits it gives to people like myself from experience of the problems of government. What I have to say relates to those who are in some sense expert in particular fields.

37. I am convinced that to bring in someone from outside with no previous experience of the Civil Service on a part-time basis is not likely to be fruitful, and the same probably applies to someone with no recent experience. However, I found that working part-time, after a stretch of full-time work, is perfectly feasible and fruitful. Only the full-time period of work can give the experience of the machine and the personal contacts which enable one to work part-time successfully. The part-time worker is at a disadvantage in that he may not be there at the crucial time, which is made worse by the way in which papers circulate at the last moment. But these difficulties can be overcome with awareness of the problems of timing.

38. Outside experts may be given P.A.s, but are not provided with assisting Clerical Officers. (I understand this is usual with other professional grades.) Thus one is expected to do work which administrators only do with a whole battery of people working under them. (Thus I had only one or two economists working for me, plus a statistician at one time, whereas for example an Assistant Secretary will have Principals, Assistant Principals, and Clerical Officers as well.) Administrators have certain regular jobs to do which outsiders or professionals may not have to do, but in my experience much of the work is entirely similar. A great deal therefore depends on the adequacy of the secretarial services provided (which adds emphasis to what is said above). It is not clear that this issue has been taken seriously enough by administrators, and that experts are provided with adequate services.

39. There is a place for the expert who studies particular problems as a back-room boy. But there is also a place for experts who contribute continuously to the formation and discussion of policy. It is with these I am concerned. This implies that there must be very close integration with the ordinary processes of administration, even if the expert is not formally a member of an administrative division. It is equally important that the expert should have links with a professional hierarchy for mutual discussion of professional issues, and for an independent point of support. Once this is granted it does not matter a great deal whether he is formally a member, as I was, of an expert division working every day closely with an administrative division (first regional division, and later public expenditure division of the D.E.A.), and seeing rather less in practice of the members of my own division, or alternatively formally a member of the administrative division who maintains important links with the professional division. Each way there is likely to be tension; in the first case, because of the danger of being side-stepped by the administrators and not being consulted on issues thought perhaps incorrectly to be irrelevant to one's expertise; in the second case, because one is "ordered" to toe the party line of the division. One advantage of the outside expert is that he can concern himself flexibly with issues he knows something about and where he has something to contribute, ignoring other day-to-day matters of less relevance. But perhaps the major advantage is that he can inject notes of criticism which might otherwise be missing, and stimulate wider discussion of issues. If he is to do this, and it can be argued that healthy administration requires it, there must be some tension in relations and no tidy solution is possible. (This of course would not apply if one rejects what is said above in section 1, and wants to encourage a monolithic approach to problems.)

40. I should add that outsiders like myself would benefit enormously from some initiation or training soon after starting work. I was thrown in with not the slightest initiation or explanation of the extraordinary way the Civil Service works. Only after some time did one pick up an understanding of procedures which are to ordinary Civil Servants part of the texture of their lives, but not for that reason discussed. For example, no one told me that the existence and membership of Cabinet Committees is a secret (and the same for Official Committees which are related to them)—which would not matter in the least, were it not that the Civil Service makes such a fetish of secrecy. Similarly, it was a long time before I realised that, while Cabinet and Cabinet Committee minutes may be copied and kept in files, papers circulated to Cabinet or Cabinet Committees are only distributed to departments in very limited numbers of copies which may not be copied or retained. (This has, of course, quite important implications for the timing of work relevant to these papers, as they may have to circulate to a number of people within a very short deadline.) On the other hand, while no training or initiation was given on matters affecting procedure and custom, enormous numbers of Office Circulars were distributed, in which important bits of information were hidden among details of gardening clubs, training courses, sanatoria, pay of messengers, injunctions to follow security rules which would have effectively prevented any serious work being done, orders not to staple together envelopes for fear of danger to messengers (but pins are permitted) and so on.

6. Co-ordinated government

41. In my naivety, the biggest shock I received was when I learnt that files do not circulate between government departments, and that information is not automatically made available to a planning department which is relevant to its work. Departmental rivalries I expected, but I did not expect, in my naivety, to find that British government is merely a United Nations. So long as this continues it is only by a miracle that co-ordinated government (I do not say planning) exists at all. The miracle is achieved (in part) by the devotion of Civil Servants.

42. The machinery of co-ordination depends on informal contacts between Civil Servants and formal inter-departmental committees and working-groups. The establishment of the latter depends on decisions by the Cabinet or agreement between departments. The role of the Treasury is specific in that it has to give financial approval for spending. The role of the D.E.A., on the other hand, depends on particular Ministerial decisions, e.g. to publish a National Plan in 1965, or to set up regional boards of Civil Servants from different departments under D.E.A. chairmanship, and for the rest on the agreement of Whitehall to inter-departmental co-ordination. As a result economic co-ordination is spotty and incoherent. Where there is a clear Ministerial lead and Civil Service agreement, co-ordination takes place. Elsewhere departments take the line that policy is their concern and that of their Ministers, and try to limit the co-ordinating role to items specifically approved Ministerially and inter-departmentally. Of course, in the final stages of Cabinet consideration of issues having general economic significance, papers have to be sent to the D.E.A., as to other departments (e.g. the Scottish Office). But at this stage when Ministers are committed, it is almost impossible to engage in detailed consideration of the implications of policy. It is only when policies have been considered in working groups at lower levels that full co-ordination is possible.

43. The implications of this are that co-ordination of government is not likely to be satisfactorily achieved until the *formal* role of the D.E.A., in relation to the Treasury and other departments, is fully spelt out and recognised. It is equally clear that, even if no change is made in the practice of departmental secrecy in the matter of files, there must be a much fuller flow of information between departments, so that those responsible for co-ordination are not merely presented with a departmental view (which may suppress divergent views held by some members of the department), but are put in a position to weigh it objectively. A particular example of this is the departmental control of its own statistics, which may often be of more importance to other departments than to itself. But the principle goes wider.

Conclusion

44. These comments are admittedly rather baphazard and random, and based on a limited experience in a limited field. The Whitehall machine is so vast and varied that it is likely that different experiences would lead to quite different conclusions. It is also realised that many of the above comments are brief and dogmatic, but they could be filled in with further detail, if required.

MEMORANDUM No. 137

submitted by

SIR ANTHONY PERCIVAL, C.B.

Secretary, Export Credits Guarantee Department

December, 1967

I am writing to suggest that it would be valuable if, in its Report upon our Civil Service, the Commission would consider whether, and how, the senior Civil Service should be protected against a gradual growth of pressure to state to Ministers and to other Departments only what Ministers want to hear and see recorded.

2. When I joined the Service, several years before the Second World War, it used to be said, although it was nowhere written, that it was the Service's high responsibility to state the relevant facts, all of them, and to make recommendations accordingly. This was demanded of us by everyone concerned: by the general public, by our immediate Chiefs, by our Permanent Secretary, by our own Ministers, and by Parliament. Other persons advancing opinions could usually be seen to have an "interest". The Service was by definition objective.

3. We also used to say that this "integrity" was buttressed by the independence of the Service as a profession and by the complete independence of the Permanent Secretaries, and the corresponding non-intervention of Ministers, in regard to Civil Service appointments. It was even considered noteworthy that as an exception Ministers were thought to be entitled to change their Private Secretaries if they found them irritating.

4. Since those days there has been a marked increase in the number of influential public statements to the effect that Ministers need to be able to surround themselves with senior officials who share their opinions and in whom they can "therefore" place full confidence.

5. It must be recognised that there are limits beyond which the traditional Civil Service "integrity" in putting facts and views to Ministers could become an irritating and quite unjustifiable priggishness or obstinacy. The danger is that by disregarding or discrediting the importance of the professional integrity of the Senior Civil Service, and by giving special lustre to the appointment of political careerists as the most senior official advisers to Ministers, Ministers may eventually be surrounded *only* by yes-men. For the senior Civil Servants themselves would then be under great pressure to tell Ministers only what they wanted to hear.

6. The pre-war Higher Administrative Service succeeded outstandingly in maintaining its integrity while deeply respecting the overriding responsibility of Ministers to take the decisions and the absolute importance of swift, loyal and efficient implementation of the decisions. The post-war Civil Service has had the same ideals and has also honoured them, but with a growing despair that these ideals are no longer respected or even known. This precious "integrity" (which goes well beyond the commonly accepted meaning of "not open to bribery") is the very soul of the Service. It is already being undermined to some extent and I believe that something needs to be done to make sure that we do not lose it.

MEMORANDUM No. 138

submitted by

SIR EDWARD PLAYFAIR, K.C.B.

Former Permanent Secretary, Ministry of Defence

December, 1966

I should like to submit to the Committee notes on two points, arising from my experience as a Civil Servant, and in particular as Permanent Secretary of two departments (War Office, 1956-59, and Ministry of Defence, 1960-61).

Amalgamation of the Administrative and Executive Classes

2. Practically everyone nowadays assumes that it is right to amalgamate the two classes. I should like to suggest that there is a pretty strong case for having two separate classes, not necessarily divided exactly as at present and certainly avoiding the emotive names and associations of the present classes, but designed to give separate treatment to the fliers instead of including them formally (with more or less special terms) in a single large management class with something between 70,000 and 80,000 members (on the last figures available to me). The fast-moving class, which would fill the higher posts, might be larger than at present—that is largely a matter of balance and expedience which I am not competent to judge. It might, for example, be expedient to draw the line so as to recruit into it a rather wide range of graduates; as at present, every member of the Executive Class (if for convenience' sake I may continue so to call it) who is up to standard should be recruited into it; one would hope that fliers from outside would be admitted over a wide age-range; and the way into it should be made easy for suitable members of the Scientific and Professional Classes and for the inspectorates. Once in the class of fliers, origins and academic records would cease to count for anything and all would be equal; as has been the case in the administrative class all the time that I have known it.

3. I do not think that the bright members of the Executive Class will suffer from this at all. Already, in my experience, every effort is necessarily made to bring into the administrative class every executive who is good enough for it; and it always seemed to me that this overt recognition of their merits was something which they appreciated. But it is not sufficiently recognised by the world at large, and I daresay not by the executives as a whole, that every good executive is considered for the administrative class (I expect the situation is complicated by the attitude of the S.C.S. who can hardly be expected to enjoy a system which benefits the best of their members by creaming them out of the range of their membership). It should be made clear that promotion from the Executive Class is as normal a way into the class of fliers as direct entry.

4. The main reason for keeping the fast-running stream formally separate is to keep its members clear of the rules and pressures governing promotion in a large and highly organised class of Civil Servants. In a class of about 75,000 men and women seniority will always play a fairly large part; rules have to be laid down how often an officer comes up for consideration; it is not so easy to keep an eye on the best man and to fit him to the job; special means of entry for the good graduate and other outsiders will be more difficult to get accepted; the S.C.S. will rightly fight for the interests of the broad masses of their membership. There will always be a tendency towards mediocrity, viscosity and Bugins's turn.

5. Of course seniority plays some part in the career of the Administrative Class; but hardly more than is required by the inevitable proportion of the class which is best suited to that criterion. If the fliers are administratively separated from the executive class they will join a sub-class of the Civil Service which thinks naturally in terms of advancement primarily by merit, and whose not very powerful trades union (to the best of my knowledge) has never sought to oppose it. It will be far easier to keep an eye on all the fliers and to promote a brilliant young man fast; to give good terms to odd entrants; in short, to exercise that degree of arbitrary judgment which is needed if the best men are to get quickly to the top. To amalgamate the two types, with separate rules for fliers within the main class, is likely to increase bureaucratic governance of the Civil Service and to tie it down by agreements with the trade unions.

Permanent Secretaries and Deputy Secretaries

6. There is a lot to be said for appointing the men at the top young. What follows applies particularly to Permanent Secretaries, to some but to a lesser degree to Deputy Secretaries, and in my judgment so much less to Under Secretaries and below that no special account need be taken of it in the context of this note.

7. Sir George Murray and Sir Warren Fisher were made Permanent Secretaries in their thirties. It is hard to think of this happening nowadays (though I do not quite know why). My generation tended to reach that rank in their forties (I did at age 47, which I fancy was on the old side of normal for first appointments about that time). I do not think that this choice of the young is arbitrary. A good Permanent Secretary requires contradictory characteristics, and must be correspondingly flexible and adaptable. On the one hand he must be energetic, highly intelligent, brimming over with ideas, ready to innovate; on the other hand he must be fully disciplined, ready to adapt his thoughts and methods to those of a new Minister, ready to take "no" from him and to carry out orders with which he does not agree. I leave on one side for this purpose the other characteristics of experience, wisdom and a capacity for management, without which he would not have been appointed: there is no reason to suppose that these are best found over fifty, and some to the contrary. The combination of energy and innovation on the one hand, and devotion and discipline on the other, is usually to be found in the comparatively young. In my experience a man who has been very long as a Permanent Secretary tends to show signs of staleness in one way or another, owing to the inherent conflict of his duties.

8. But it does not make much sense to appoint a man Permanent Secretary at 45 and then expect him to stay on to 60. He will get brownd off, and so will his subordinates, who have to wait for half a generation before another vacancy occurs at the top. Switching Permanent Secretaries around does not improve the overall position; nor does it rejuvenate the individual more than a little.

9. I suggest that the service would be a lot healthier if a rule were established by which any Deputy Secretary would be compulsorily retired after $7\frac{1}{2}$ years in that rank (not post), unless he were promoted to Permanent Secretary; and any Permanent Secretary would be compulsorily retired after 5 years in that rank (not post). I retired voluntarily after 5 years in that rank, and have always been certain that both the Service and I gained by it.

10. Some special pension arrangements would be necessary. I presume that the Committee will be considering pensions generally (now that the position has switched right round and that Civil Service pensions are less generous than those in industry); but for convenience' sake I phrase my very tentative ideas on this subject in terms of the present system. Personally, to sweeten this pill, I should like to give them a full 40/80ths pension on retirement under this system. If that is thought impossible, I should suggest giving them the option of a $n/80$ ths pension, where n is the number of years served, payable at once, or the actuarial equivalent of this pension to start at a later date, this date to be chosen when the time comes by the man concerned. This would provide for two types of man: the kind who would like to take his rest, with perhaps the odd directorship, and the kind who would like to plunge into another whole-time job.

11. I see the following advantages in this system:

- (a) Younger and above all fresher men at the top.
- (b) Better promotion prospects all round, which should lead to better recruitment. To a man of ambition the chance of a double career is a great attraction.
- (c) If vacancies at the top come oftener, it will be easier to bring in good men from other parts of the Civil Service or from right outside, at all ranks including the top.
- (d) More intermixture of the Civil Service and the outside world. It would be necessary to kill the superstition (admittedly now dying) that it is disloyal of the Civil Servant to leave early, or that companies will alienate departments if they fish for their employees.

12. It will be noted that nothing in my proposals prevents a man from being promoted to Deputy Secretary at, say, 50, to Permanent Secretary at, say, 55, and then serving on to 60. My proposals only affects the career of the man who is promoted young.

13. It is perhaps worth studying the experience of the French Inspection des Finances, where it is normal to leave the service in one's forties. Many of the circumstances are not comparable and this is not the only factor; but I think that most observers would agree that the opportunity and the attraction of a double career is one of the factors which has made the Inspection probably the highest-regarded public service in the world.

MEMORANDUM No. 139

submitted by

MR. W. J. L. PLOWDEN

Lecturer in Government, London School of Economics; former Civil Servant

MR. N. D. DEAKIN

*Assistant Director of the Research programme, Institute of Race Relations;
former Civil Servant*

MR. J. B. L. MAYALL

Lecturer in International Relations, London School of Economics; former Civil Servant

February, 1967

Introduction

This memorandum is submitted to the Committee by three former Administrative Class Civil Servants who resigned from the Service at stages well past the end of their probationary period—two as Principals, one as a Junior Minister's Private Secretary. It sets out some of the factors which helped deter us from making a permanent career of the Civil Service, in the hope that they may be relevant to the wider problems of the efficiency, status and morale of the Administrative Class as a whole. We have not tried to deduce general principles from our experiences (which take in a total of only two Departments) nor to follow through all the implications of our suggestions. We realise that some of the things that are "wrong" with the Civil Service are common to any bureaucracy, while others reflect features of the British constitution—in particular, the convention of Ministerial responsibility in the context of intensive party competition—which it would take far more than mere administrative reform to change. But whatever the basic causes of these factors, we thought it worth pointing out how their effects feel to some of those on the job.

2. In our remarks we start at the bottom and work up—beginning with points of detail, ending with more general observations.

Conditions of work

3. *Accommodation.* In some cases this is excellent; the present Board of Trade building, for instance, is up to the highest standards one could reasonably demand. But the comparison makes all the worse the sleaziness of St. Christopher House, or the Dickensian conditions of some of the older buildings, where one may find five officials, an Assistant Principal among them, so closely jammed into a single room that their desks touch, and a coal fire in the corner.

4. *Ancillary services.* Services such as typing can again vary greatly. This may be thought of little personal concern to the individual. But in a basically

routine job, one of the major satisfactions is getting business done with despatch; it is extremely frustrating when, as in the Home Office, typing could take up to three weeks (plus another three weeks if one had second thoughts during that time). More important is that when one is dealing with the public on sensitive matters, one's job is made much more difficult by this sort of delay, which is not surprisingly attributed to indecision and incompetence. (They would never believe about the typing problem.) Nor can a system of typing priorities that is easily abused overcome these difficulties—the categories become debased and really urgent letters suffer from the same inordinate delays as the rest.

Training and specialisation

5. Much of what is unsatisfactory about being a junior member of the Administrative Class stems from the central concept of the non-professional multi-purpose administrator. The belief that all experience is equally relevant to the end of mastering the techniques of administration implies that there is not much point in the young administrator acquiring any expertise measured in any other way. This justifies a career-structure in which the only principle seems to be that one should not do the same job twice; one moves from one post to another with no necessary relationship between any of them. As an A.P., it is all too easy never to get a sight of the wood for the trees; while his contemporaries in other occupations often are either starting to exercise real responsibility over small fields of their own or are progressing through training programs designed to equip them with recognisable skills, an A.P. may be spending a year fiddling around with a draft Bill or devilling statistics. One can also spend a lot of time and effort, given the present class structure, in skating over the thin ice of relationships with one's Executive colleagues, who often feel uneasy or inhibited about offering advice and help to this new cuckoo in the nest, predestined to status and salaries which many of them know they will never get near.

6. The random selection of one's jobs as a Principal means that it is pure chance if one's experience is at all cumulative, in the sense of making one familiar with a particular subject area. One may get to know a lot about international trade agreements after three or four years dealing with them, but this is likely to be entirely irrelevant to one's next job—say, administering investment allowances. Indeed, wherever this pattern breaks down, and a Principal stays in one job much longer than the average, he is likely to be regarded as a failure; his "narrow" expertise may be recognised, but he is unlikely to exercise much influence on the formation of policy. Even the training now provided at the Centre for Administrative Studies fits into this pattern; it is designed to train the generalist in other, more technical, general methods of approach which he can apply wherever he may find himself.

7. Despite the Civil Service Commissions' comparative analysis of entrants through Methods I and II, the training that they then get surely cannot be equally appropriate for them all. If administrators are to be gradually broken in by experience on the job, it may be logical to select them, as through Method I, by testing their ability in terms quite unrelated to the sort of work they are going to do. But it cannot be equally logical to set them to show in Method II their skill at solving typical Civil Service problems, and then give them a further four, five or six years getting experience of typical Civil Service problems.

8. Criticisms of the "generalist" approach are of course not new. Our point is that, whatever its effect on the efficiency of the Service as a whole, it is unsatisfactory for the individual as well. Largely for the reasons explained in the next section, exercising one's administrative skill is not very exciting in itself; if one's knowledge of any subject is mainly what one has learned of it in one's current job, there is not much satisfaction to be looked for in increasing one's expertise. The more one learns about the probation service or restrictive practices legislation, the nearer one comes to the moment of transfer to deal with the problems of Ulster or of trade with Latin America. In a society where success and status are increasingly related to the possession of recognised specialist skills, the Civil Servant—as subject to pressures to conform as the next man—can choose either between trying to keep up, perhaps by making some subject his own in his spare time; or, as many do, abandoning the attempt and in self-defence adopting the obscurantist attitude that the expert is somehow a less complete and reliable man than himself. In terms of the immediate job, this lack of expertise has two very different sorts of result. First, in dealing with outsiders in particular one is frequently in the position of a relative amateur, fairly familiar with the terms of the relevant Statutory Instrument but with no real knowledge of the basic problems in the area concerned. A relationship which is in any case often prickly enough is made more difficult by both sides' awareness that the Civil Servant's first-hand knowledge of the outsider's problem is extremely limited. In general, the Civil Servant all too often has the feeling that he is not doing the job as well as he would like to.

9. The second consequence follows from the first. Because of the system and structure of the Civil Service pay, a Principal of five or six years standing can be sure of a salary which compares very well with what his contemporaries are getting in other occupations. One need not here discuss the problems of non-transferable pensions to see that, although the problem varies between different departments, it can already be extremely difficult for him to leave the Civil Service for another job, without taking a large pay cut; because of his lack of subject-expertise, his salary is already getting a long way out of line with the qualifications he has to offer to anybody except H.M.G. Consequently, if starting to be disenchanted with the Civil Service by one's late twenties or later, one cannot afford to hang on for a while in the hope that things may get better; the choice is either to stick it out till, as an Under Secretary one's twenty-years experience is more readily negotiable, or to leave as soon as possible. (We all chose the latter—despite a pay cut in each case.) Our impression is that among young Principals, many have reluctantly accepted the need to stay on largely because of the difficulty of supporting a family on the salaries they would be likely to get elsewhere. Certainly we are all familiar, since leaving, with the barely suppressed envy of many of our friends who have decided to stay. A sense of being trapped cannot be good for morale or for efficiency.

10. We do not mean to echo the conventional cry against the "amateur" administrator. We recognise that there is a real "craft of administration" which is learned with the machinery of government, in much the same way as within any other large institution which has its own style of management. In terms of this the experienced principal clearly becomes more "professional" over time. What is wrong is that this indispensable ancillary skill is treated as

sufficient in itself. (A Principal newly arrived in his post is expected to be able to put the divisional point of view with confidence and authority; the trouble is that, in most posts, after reading through the files he probably *can* do this as well as his predecessor or as he will ever need to.) It is true that some parts of the Civil Service are served with professional advisers; but others—where the division is not so clear but where expertise is still essential—are not. In any case, extra information obtained from the experts is likely to remain, in most cases, extraneous to one's own experience.

11. We believe that not only individuals, but also the Civil Service as a whole, would benefit from greater specialisation. It may be suggested that one of the arguments we have offered in support of it—that Civil Service skill/salary ratios would more closely match those outside—is, anyway in the short term, an argument against it: since this would make it all the easier for disgruntled administrators to leave. There are in fact good grounds for making the Civil Service less "vocational"; but we do not think that even from the narrow manpower point of view specialisation would be harmful. First, there would not be the same pressures on younger administrators thinking of making a change to do so at once; and if they stayed on they might well settle into the job and decide to stay permanently. Secondly, if individuals were encouraged to develop particular skills, which would be deployed in particular posts, outsiders with comparable skills would find much more scope for using these. Over-age Principals recruited from industry, for instance, would be able to reach their maximum efficiency much sooner; they could use what they already know rather than having to forget it all and learn the unique trade of the administrator. They would not be in the position of an acquaintance of one of us who, with years of commercial experience, came in as an over-age Principal in hopes of going to the Board of Trade. In fact he was sent to one of the social service departments; when last heard of he was seriously thinking about leaving.

12. If it is argued that the idea of specialisation is and must remain foreign to the whole conception of a flexible administrative machine, one can reply only that at present the Civil Service is making the worst of both worlds by failing to apply the alternative principle, which is to go for the maximum mobility within itself—i.e. between departments. For reasons presumably connected with the current staff situation, the new Civil Servant is posted to a department (possibly not his first choice); thereafter he is indiscriminately posted about to totally unrelated jobs within that department. The result for him is that he fails to get the benefit which should follow from belonging to an organisation as huge and diverse as the Civil Service, in terms of a really varied series of jobs; the result for the Civil Service is the refinements of departmentalism in which inevitable disagreements about policy are, at least at the lower levels, conducted in the spirit of battles between rival teams whose ignorance of each other's problems and organisation is part of their own team spirit. (One of the most valuable and satisfying by-products of the Regent's Park courses is that young Civil Servants from all departments have met on common ground in an atmosphere where the tone is set by them—rather than occasionally quizzing each other from behind their respective assistant secretaries at one of those huge inter-departmental meetings.)

13. Greater mobility between departments would not of course be inconsistent with greater specialisation. A much more logical and closely articulated career could be built up of successive postings within a group of social service or economic departments than what is at present offered within any of them. This pattern could also include a more deliberate policy of posting outside London, in local authorities or regional offices; it is not surprising that the Civil Servant whose whole career is spent between Sevenoaks and Whitehall should come to regard the provinces as about as alien as Tibet.

14. Greater mobility could not of itself put double-glazing into noisy offices, or increase the ratio of A.S. to Principal posts in any one department. But if Civil Servants were to cease to spend most of their career in the same department, variations in conditions of work, or promotion rates, or the exercise of personal responsibility (see next paragraph), would matter much less.

Responsibility

15. The traditional concept of the non-specialist administrator also contributes to another factor that makes being a Principal so unsatisfying—the lack of responsibility (although, like other things, this varies greatly between departments). The junior administrator in particular can rarely point to any achievement, or indeed any subject area, as entirely his own. He is limited both horizontally and vertically. Responsibility is so fragmented at the lower levels that he can make progress even on matters which are clearly within his own province only by constantly seeking advice and agreement from other non-specialists. At the same time he is subject to all the vertical limitations of a hierarchical system. It is of course quite logical that if the art of the administrator is thought to be acquired through experience, the judgments of the senior grade should be accepted, and sought, in preference to that of the junior. But the consequence of this, which is made worse by historical circumstances, is that the lowest grade which normally exercises any independent authority is assistant secretary. At the moment a whole generation of Principals, aged between 28 and 40, is messing about writing first drafts of speeches and amassing mechanical briefs for Ministers. In some departments Principals rarely get to see Ministers—or if they do, only accompanied by their Assistant and perhaps Under Secretary as well. It is often assumed that the main interest of a period spent in a private office lies in being at the centre of things—seeing visiting Ambassadors, reading Cabinet minutes and so on. In fact what mainly distinguishes an A.P. Private Secretary's from a Principal's is that in a private office one is to some extent in charge. One has to make decisions, however trivial; the rush of events means that there is often no time to ask anybody whether one's boss should wear a black or a white tie to the Annual Dinner, or whether the *ad lib* in the speech can be confirmed as a policy statement.

16. As a Principal, one can take few decisions without consultation. One presents the relevant details—mainly gathered from the back files—of the topic in question to one's A.S., who pits his judgment against that of the Under Secretary and so on up the tree. In cases where outside interests are involved, working relationships with them may already be close enough for the Civil Servants to get directly all the facts they need for an informed judgment; but where these relationships break down, or have never been established,

discussions can reach Ministerial level before all the relevant facts are brought into play by the other side. This can produce the unhappy spectacle of the Principal, the Assistant Secretary, the Under Secretary and the Minister being belaboured by the visiting delegation by technical arguments which none of them know enough to evaluate or to refute. But if a Principal were in a position to accumulate a body of related knowledge his judgment or advice on a particular subject would take in more than the immediately relevant files, and would in his own relatively limited field be perhaps more cogent than that of his superiors with their wider responsibilities. To have a recognised personal expertise would be far more satisfactory than simply being, as at present, the current occupant of post X; Principals could, on a range of issues, deal on equal and definitive terms with outsiders and with each other, with less need to cover up their ignorance or to refer decisions for higher confirmation.

17. From Ministers' point of view, one by-product of this would be that they could justifiably seek advice from any level in the hierarchy. It is probably right that transitory politicians should have no say in postings and promotions; but in some departments it can be very hard for them to get an alternative point of view, or see a more congenial face, than that of the Under Secretary who insists on always acting as the channel for his division's advice.

18. We do not want here to discuss the possible advantages for the Civil Service as a whole of our proposals for improving the lot of Principals. Our main reason for suggesting the encouragement of some degree of expertise at all levels, is that it would improve the efficiency, status and morale of Principals, and would make it easier to allow them some discretion and executive responsibility. But we think it would also help make possible more mobility in and out of the service, more varieties of experience among Civil Servants, more worldliness, more genuine interest in the job among those doing it, and consequently less of the sometimes suffocatingly studious air of detachment from the rough-and-tumble world occupied by politicians in general and Ministers in particular. Of course Civil Servants and Ministers have different kinds of jobs to do; but in making a virtue of what is in fact one of the major limitations of a Civil Service career—one's public silence and pretence that one has no views of one's own—the Civil Service with its ritual slightly-deprecating reference to "Our masters" induces what can become a dangerously cynical disdain for the values of the rest of the world.

Attitude of Establishment divisions

19. We recognise that the sort of career planning on which our proposals depend is made more difficult by the present shortage of staff. An Establishment Officer is bound to plug gaps before he takes thought about the shape of somebody's career. But particularly since at the moment it is not always possible to put people in the posts either which they want or which make most sense given their abilities or previous experience, it is all the more important that Establishment Divisions should at least appear willing in principle to do what they can. We know at first hand of too many examples of clumsy last-minute decisions and unexplained and unapologetic disregard of expressed preferences, based apparently on the assumption that Civil Servants are passive office-fodder, conditioned to accept equably anything that happens to them. It ought to be

made clear that it will be regarded as not subversive, but as normal and desirable, for people to have views about what they would like to do. The harder it is for Establishment divisions to take account of these views, the more effort they should make to put over the alternative.

Summary

20. This memorandum describes some features of the Civil Service that we personally found unsatisfactory; we have not tried to prescribe general reforms.

21. Our main points are these:

- (i) conditions of work, and ancillary services, should in some cases at least be a lot better;
- (ii) the traditional concept of the generalist lay administrator is used to justify a failure to plan individuals' careers; their successive jobs are quite unrelated. The young Civil Servant gradually becomes expert in the art of administration, but not in any particular field.
- (iii) this often puts him at a disadvantage
 - (a) in dealing with outside interests of whose problems he has only a generalised knowledge;
 - (b) increasingly over time, if he wants to leave the Civil Service for another job at approximately the same salary. Consequently if he has any inclination to leave he must do as soon as he can;
- (iv) if the occupants of Civil Service posts were expected to have skills more closely related to the job in hand, more, and more efficient, use could be made of recruits from other professions;
- (v) the Civil Service is at present stopping far short of the logical alternative to specialisation, which is greater mobility within the service *as a whole*;
- (vi) given their present lack of special knowledge, it makes some sense that younger administrators are allowed little independent responsibility; but this is frustrating for the individual, and helps produce a rigid decision-making and advice-giving structure;
- (vii) greater mobility in both directions—(iv) above could do only good;
- (viii) if Establishment divisions are going to continue to find it impossible to take more thought about individuals' careers, they must take more thought about demonstrating to individuals that they are at least doing what they can.

MEMORANDUM No. 140

submitted by

SIR HILTON POYNTON, G.C.M.G.

Civil Servant 1927-66 (retired)

Permanent Under-Secretary of State, Colonial Office 1959-66

February, 1967

The Civil Service and Parliament

1. The advocacy of the appointment of Specialist Committees to conduct general investigations into the activities of Government Departments, with power to summon Civil Servants in evidence, is gathering momentum; and indeed in some quarters it now appears to be regarded as axiomatic that such a system is desirable and necessary. Indeed the Government itself appears to have gone some way towards accepting this idea in principle, by having recently obtained Parliamentary approval for the appointment of two Select Committees, one on Agriculture, and one on Science and Technology (Hansard, House of Commons, December 14th, 1966, columns 476/7 and 611/2). The terms of reference of both these new Committees include power "to admit strangers during the examination of witnesses unless they otherwise order". The admission of "strangers" goes beyond the current practice of the Public Accounts Committee or the Select Committee on Estimates, both of which meet in private to hear evidence, but subsequently publish the evidence along with their Reports. It seems also to be assumed that the Civil Service will oppose such a system, and that their opposition would have to be overruled. Thus, in an article by "The Times" Parliamentary Correspondent (13th January, 1967) under the title "More Light needed in the dark places of Government" we read: "Any Select Committee that does want to open its doors will doubtless meet with entrenched opposition from the Civil Service. Such a reaction would be understandable; it will be less comprehensible if it is allowed to prevail." Later in the same article occurs the following passage: "Why should Civil Servants, especially those in Senior positions, be immune from Press inquiries? Other democracies, notably the United States, feel no such need to erect bullet-proof cloches above the tender plants in their public service." The thinly-veiled implication is that Civil Service opposition (if it materialises) would spring from unworthy and discreditable motives such as anxiety for self-protection, a bias towards obscurantism and a wilful desire to be obstructive. I have not myself seen the Memorandum by the First Division Association, but from the summary and leading article in "The Times" of 31st January, it would seem that the Association is not wholly opposed to greater publicity, given proper safeguards.

2. I have no mandate to speak for the Civil Service, either from the Official side, or from the Staff side. The views expressed in this Memorandum are entirely my own, based on thirty-nine years' service, the last seven (1959-1966) as a Permanent Under-Secretary of State (and Accounting Officer). During these last seven years I have appeared regularly as a witness before the Public Accounts Committee, and had a long series of meetings in 1960 as a witness before a Sub-Committee of the Select Committee on Estimates (Chairman: Sir Godfrey Nicholson, M.P.). Lest my views, which are against the summoning of Civil Service witnesses on general matters of policy and administration, should be suspected of stemming from the unworthy kind of motives suggested above, I wish to state emphatically that in all my experience with either of these two Committees, though their investigations were thorough and relentless, as they should be, I never had cause to complain of any unfairness or discourtesy, and certainly not of any bullying of the witnesses. My opinions are not, therefore, prejudiced by any unpleasant memories of Investigating Committees. Nevertheless, I believe there are many good grounds of public policy, going far beyond any consideration of inconvenience to Civil Servants, why any extension of the system of summoning Civil Servants before Parliamentary Committees of Investigation should be approached with extreme caution.

3. Government in a Parliamentary democracy depends for its success on the smooth maintenance of a number of relationships, other than a direct relationship between Parliament and Civil Servants. There is the relationship between Parliament and Ministers; the relationship between Ministers and their Civil Servants; and the relationship between Ministers (themselves Members of Parliament) and the general public—the electorate. It is most important to avoid disturbing these relationships for the sake of introducing a new kind of direct relationship between Parliament and the Civil Service.

4. Before analysing these relationships, I should like to dispose of a basic fallacy which I believe underlies the pressure for the Parliamentary examination of Civil Servants. This is the widely-held belief that "the country is governed by the Civil Service"—faceless men who are unknown to the public as individual personalities. To start with, the phrase "governed by the Civil Service" is itself ambiguous. If it means that the Civil Service carry out the day-to-day application of the Government's policies in relation to the public, of course it is true (though a member of the public can always appeal to the Minister). But there is nothing wrong in this: it is, among other functions, what the Civil Service is for—releasing the time of Ministers so as to enable them to concentrate on policy. The executives of a business firm carry a lot of responsibility within the approved policy of their Board. But they are not normally suspected of controlling the Company's policy.

5. If, however, the phrase "governed by the Civil Service" is intended to mean that policy is decided by the Civil Service, this simply is not true, either in constitutional theory or in fact. The public at large seems to have the impression that life in a Government Department is a perpetual internecine tussle between the Minister and his Civil Servants to settle who shall have the mastery.

¹ Memorandum No. 15.

This decision, it is implied, is one where the Civil Servants traded upon the ignorance of their Minister, and bamboozled or frankly bullied him into taking it. (This is said where the public does not like the decision.) That decision, on the other hand, is one where a dynamic and independent Minister insisted on having his own way and on putting his Civil Servants in their place. (That is the orthodox line on those rare occasions when the public does like the decision.) Lastly, perhaps the most common theme of all, there is the "frustration leit-motive"—"No Minister can ever carry out any changes: the Civil Service won't let him."

6. In fact it doesn't work like this at all. Ministers and Civil Servants alike are far more closely circumscribed than the general public usually realise by the facts of the case, and by external pressures, including very often the attitudes of the Governments of other countries over which they have no control. This, more often than not, is the explanation of the "frustration leit-motive". Partisans of some particular line of policy, for whose adoption and implementation they have no responsibility, frequently tend to overstate the good points of their proposition, and to overlook or deliberately conceal its weaknesses. It is only when the proposition is submitted to dispassionate critical analysis against the criterion of responsibility, that a true evaluation of its merits and defects can be made. It is one of the functions of the Civil Service to make such an analysis for their Ministers and to warn them of any concealed snags. Often it will be found that an idea claimed as new is not new at all; it has been mulled over many times and rejected by successive Ministers in different Governments, because after close study they became convinced that the disadvantages outweighed the advantages. Sometimes, however, although the proposition itself does not as time passes gain any increased merit in absolute terms, changing political, social or economic conditions in the country may make it relatively more attractive and practicable at a later date. This is essentially a matter for a Minister's political judgment. The role of the Civil Service in this is not to "make difficulties", but to draw attention to inherent difficulties—a very different matter. Any Minister worth his salt could deal with any unreal difficulties which might be manufactured by officials; conversely, he would be irresponsible if he did not pay regard to warnings of real difficulties. In practice, if you analyse a problem of public administration, you will usually find that there are only about two or three courses of action which can be called "starters", and that the arguments for and against each are usually pretty evenly balanced. The Civil Servants will produce an analytical memorandum which will be submitted to the Minister, who will naturally wish to know which of the possible courses his Permanent Secretary recommends—call this "Course A", with "Course B" as a near alternative, and perhaps "Course C" as runner-up.

7. If the Minister, having studied the papers, is clearly convinced that "Course A" is the best, he will presumably approve it; and his approval represents a deliberate conscious decision of the Minister. It is none the less a Ministerial decision because it happens to coincide with the recommendation of his Civil Servants. I cannot conceive that any Minister, convinced that the course recommended by his Department was the best, would wantonly decide in favour of some other, merely to demonstrate that he was master in his own house, not to be dictated to by his Civil Servants.

8. If, on the other hand, the Minister prefers "Course B", he will perhaps decide on that without further ado, and give the necessary instructions. Or he may feel general doubts about the whole affair. In such cases he will most probably, in my experience, arrange a meeting with those of his officials who are primarily concerned—preferably not confined to seniors only. Minister and officials will then talk the matter over as colleagues and friends, each contributing towards a common objective, but approaching it with rather a different background. Sometimes a new idea will be thrown up, and even if this does not of itself provide the answer, it may in turn stimulate other ideas. In the end a decision is reached, but it will probably be difficult to disentangle exactly how much the finished product owes to Civil Service thinking, and how much to Ministerial thinking. Of course, if a Department should be unfortunate enough to have a weak or uninterested Minister, the officials' views would be likely to prevail. But even so, this should not be thought of in terms of a victory for a Civil Service point of view over a Ministerial one. The officials would be more like Trustees acting in the absence of effective leadership. In any case, such a situation, if it should arise, would be a reflection on the Minister, not on the officials—who, by the way, are at a grave disadvantage without an effective Minister, and much prefer to have strong and inspired leadership. In fact, a final Ministerial decision will, in all likelihood, be (as indeed it should be) a synthesis of the Civil Servants' administrative experience and knowledge of the subject and of the Minister's political judgment, and also (do not underrate this) his own knowledge of the subject, which may be considerable. But however arrived at, and whatever the proportions of the mixture, the decision is unquestionably a Ministerial decision, and the Civil Service will loyally implement it, even if they don't like it. Where an idea for a new policy originates is immaterial. Many an excellent idea has originated outside Government circles altogether. The important point is where the power lies to decide whether or not to adopt it. The answer, unequivocal and incontrovertible, is: "With Ministers, subject to Parliament's authority as may be required." Though Civil Servants may properly, and often do, initiate new ideas on policy for their Ministers to consider, including proposals that would involve new legislation, it is a plain untruth to say that the country is governed by the Civil Service, if by that is meant that it is the Civil Servants who settle policy.

9. With this clarification we can come back to the question of examination of Civil Servants by Parliamentary Committees, and to an analysis of the relationships between Parliament and Minister: Minister and Civil Servant: Minister and the public. There is a kind of interrelationship of these relationships and, while they can be kept distinct up to a point, the arguments tend to overlap.

10. A Minister holds his office from the Sovereign (on the advice of the Prime Minister) and is directly accountable to Parliament for his stewardship. He cannot abdicate his responsibility by delegating it to his permanent officials: and I believe that the examination by Parliamentary Committees of Civil Servants on general matters of administration and policy will tend to put Civil Servants in a position of personal accountability to Parliament—a step which could only lead to weakening the status of the Minister himself in the eyes of Parliament. It would, I believe, go far to confirm, and indeed give Parliamentary authority to, the false view exposed above that the Civil Service is in some way or other

responsible for policy and has an existence, or status, of its own, independent from Ministers. The Public Accounts Committee is not a true analogy, because this Committee is concerned solely to see that proper control of the expenditure of monies voted by Parliament has been exercised in accordance with the rules laid down by Parliament and subject to proper audit. This is a plain piece of administration. The Committee is not concerned with policy as such; and I have always found that if the Accounting Officer can show that a certain action was taken as a result of a Ministerial decision, properly arrived at, the Committee does not pursue the point with the Accounting Officer. It may be argued that the Select Committee on Estimates provides a close analogy, in that the examination of Civil Servants on the reasons for the inclusion of specific items in their Departmental Estimates inevitably opens up questions of the policy behind the proposed expenditure. This is a valid argument so far as it goes; but paradoxically, it supports rather than weakens my thesis. When the Select Committee on Estimates in 1960 presented to Parliament its Report and the Minutes of Evidence on the future of the Colonial Office and the Colonial Service, the view was expressed, not only in certain newspapers, but even by some Members of Parliament, that the Committee had gone beyond its terms of reference in examining Civil Servants on matters of future policy which did not arise out of the Estimates. In mentioning this I intend no disrespect to the Committee (whose proceedings I enjoyed); and it would be improper for me, who was a serving Civil Servant at the time, and the principal witness, to comment on this issue. It is sufficient for my argument that the point was made at the time—and not by Civil Servants. Clearly the risk to Ministers' relations with their officials and with Parliament will be greater with the two new Committees which have now been set up, with roving commissions unrelated to either the Accounts or the Estimates. The boundary-line between "explanation" and "justification" is illusory. The proceedings of such Committees with roving commissions to probe into any and every act of a Department by an examination of the officials cannot fail to bring into doubt the true nature of Ministerial responsibility, which is important to Parliament itself, and, as I shall show, to the electorate. Ministerial responsibility is not just an alibi for the Civil Service.

11. Secondly, complete confidence between the Minister and his own Civil Servants is vital—and this implies loyalty in both directions. Just as a Civil Servant does not expect his Minister to get up in public and say: "My wretched Civil Servants messed this up—it was nothing to do with me", so the Minister is entitled to expect that his Civil Servants will not go around saying in public "Yes, I know, but what can you do if your Minister does a stupid thing like this? We told him not to." Examination of Civil Servants on general matters of administration and policy could place a great strain on the loyalty of Civil Servants to their Ministers. Worse still, the position of a Minister, subsequently faced in Parliament with a highly critical report based on evidence extracted by a Parliamentary Committee from his own officials behind his back, would be quite intolerable.

12. Thirdly, there is the relationship between Ministers and the electorate. At a General Election most electors vote for the candidate of the party which he or she thinks will provide the best Government. The electorate entrust the reins of Government to their elected representatives, not to Civil Servants.

When the day of reckoning comes, at the next General Election, the electorate have to decide whether they want to give the existing Government a further lease of life, or to make a change. To form this judgment it is the Ministers' record which the voters must be able to assess; because it is for Members of Parliament, not for Civil Servants, that they vote. If Civil Servants were made directly and publicly accountable in their own name to Parliament, as is now advocated in many quarters, the consequence would be to give these Civil Servants public personalities of their own, identified with particular views on policy, in rivalry no doubt in some cases with that of the Ministers or potential Ministers. This course would produce exactly the opposite result to that which I believe its advocates really desire—that is to say, it would result in the glorification of the Civil Service into an arm of the Government in its own right, with an undoubted temptation to an ambitious Civil Servant to think of himself as a master rather than as a servant. Nobody can really want this.

13. The new Committees announced last December, and any subsequent ones, will need to exercise considerable restraint in the kinds of questions they ask, and the witnesses will need to be extremely diplomatic. Even though a Committee may begin by trying to confine itself to eliciting facts about the administrative implementation of approved policy, and clarifying points of doubt, it will be difficult to do this without bringing under review the policy underlying the administrative matter under investigation; particularly if the Committee is to be an all-party Committee, some half of whose members would, by definition, be opponents of the Government. Even if the witness were not asked point-blank whether he agreed with the policy, a situation might well be reached in which it might become impossible to conceal that the Minister and his officials had not seen eye-to-eye on some point. A Civil Servant would not willingly or deliberately criticise his own Minister in public; but human nature is human nature, and a momentary embarrassment, a brief hesitation, or an awkward silence can unintentionally betray. Such an occurrence might not, perhaps, matter so much if the meetings were held in private. The written records, when the Minutes of evidence came to be published, might not be so revealing as the witness's demeanour. But if the meetings were held in public, even the slightest hint of a disagreement between a Minister and his officials would be jam to the Press, and the incident would at once be written up, magnified and followed by speculation as to the views held by the officials themselves. There might even be attempts to buttonhole the witness as he emerged and "get a statement from him". Moreover, many of the actions taken by Departments, and much of the expenditure incurred by them, derive from the carrying out of policies already enshrined in Acts of Parliament. It would be quite inappropriate for Select Committees of Parliament to attempt to reopen such policies by an examination of Civil Servants; and most unfair to those Civil Servants to place them in the invidious position of being asked, in effect, to justify or criticise not merely the action of their Minister (or a former Minister now in the Opposition) in having introduced the legislation in question, but the wisdom or otherwise of Parliament itself in having enacted it. This is no role for Civil Servants: most people would call it downright impertinence. It is most important that individual Civil Servants should not become publicly associated with particular points of view on matters of policy. If they were, they would soon become "political" personalities. This man would be found to share generally the views held by one political party; that one would be found

to hold views more in line with those of another. Of course, Civil Servants do have their own political views, and they vote at elections; but they must be careful not to let their private political views become publicly known, or influence their official work. Once they become publicly identified with particular views on policy, their usefulness as members of an objective, non-political service is at an end. A system of personal accountability to Parliamentary Committees would quickly achieve this result, which would not be in the best interests of true democratic Government.

14. Indeed, the logical corollary of any such departure from tradition would be that the top posts in the Civil Service should overtly become political appointments, in which the electorate could reasonably expect to have some indirect say—i.e. through new Ministers making a clean sweep with every change of Government. I do not believe it would be in the best interests of the country to adopt this pattern of public administration. That it is done in the United States is, to me at any rate, no commendation. Our own system is infinitely preferable. Moreover it is valuable for new Ministers to have a permanent non-political Civil Service, not only as a thesaurus of knowledge, but also because it ensures serious study of the arguments for and against any new proposal, and tends to curb extremism or impetuosity in either direction. The final decisions will always rest with Ministers, as they do at present, and this is what is important in a Parliamentary democracy. Let us be very careful not to undermine all these delicate relationships on which the smooth working of the Government machine depends. Many structural and organisational changes in the Civil Service are no doubt needed to keep pace with modern developments in public administration: but where important issues of principle are at stake, the words of the Preface to the Book of Common Prayer are always worth remembering: "Common experience sheweth that where a change hath been made of things advisedly established (no evident necessity so requiring) sundry inconveniences have thereupon ensued; and those many times more and greater than the evils that were intended to be remedied by such change".

15. Is there, then, no place for Parliamentary Specialist Committees which have power to summon Civil Servants in evidence? I shall be surprised if, when the new Committees on Agriculture and on Science and Technology get down to work, they do not run up against the difficulties to which I have drawn attention. One possible alternative, which indeed was hinted at in the Debate on the proposed appointment of these two Committees (Hansard, *ibid.*, Columns 487/488) would be for the Minister himself, or one of his Junior Ministers, if they can find time, to appear before the Committee. He might perhaps be supported by such permanent officials as he might wish to bring with him. If neither the Minister nor the Junior Minister can spare the time, then the Minister could depute a senior Civil Servant to appear on his behalf. I do not believe that Civil Servants should be directly examined on general matters of administration or policy behind their Ministers' backs (or at any rate without their Ministers' specific approval in each case.) It is essential to preserve the principle that the Civil Servant is accountable to his Minister, and his Minister to Parliament—a logical and tidy chain of command. It is essential, not as a protection for the Civil Service, but as a protection of the true principles of democratic Government, which require that responsibility to Parliament must remain, and be seen to remain, in the hands of Her Majesty's Ministers.

Evidence of Principals on loan from Industry, Commerce and Universities

The Committee invited evidence from the Principals on loan from industry, commerce and the universities under the 1965 scheme, described in the Treasury's note which we publish as no. 24 in Volume 4. Several of them submitted written evidence. The Committee also met these Principals for an informal discussion. This note summarises the main points in their evidence. It has not been practicable to quantify the weight of support for the differing opinions expressed by individuals.

Organisation of work

1. Responsibility for decision-making was not clearly allocated. There was too much horizontal sub-division of responsibility, necessitating constant consultation with other branches. There was not enough delegation of responsibility down the hierarchy, especially below the level of Assistant Secretary. Most thought that they had less responsibility as Principals in the Service than in their jobs in industry and commerce. The practice of progressive drafting was strongly criticised. The tendency was for matters of a relatively unimportant nature to go too high up, and for important matters to begin too low down. It led to delay, was a misuse of highly-paid staff and was irksome to individuals. It was thought that there were too many stages in the vertical structure and that the pyramid was too narrow. One witness said that it appeared that Departments were made to fit the traditional organisational structure rather than suitable structures devised to fit the job in hand.

2. Several comments were made on the time and effort devoted to problems of co-ordination, on the proliferation of Committees, and on the great amount of paper that came one's way.

3. The desire to achieve perfection, mainly in written work, on the part of members of the Administrative Class was sometimes overdone, but it was thought that this and other practices and procedures were in large measure due to the Service's accountability to Ministers and Parliament.

Techniques of management

4. Divergent opinions were expressed; on the one hand, that the Service was poor in applying management techniques and, in particular, that no attempt was made to use financial information as a vital tool of management; on the

other hand, that the Service was modern in the use of management techniques, and showed a willingness to try new ways of improving efficiency.

5. Some Principals said that there should be more O. and M., etc. and one that job evaluation should be applied to all posts.

Personnel management

6. A number of critical comments were made. Members of the Administrative Class were not interested in running a team of people effectively and took little interest in staff relations; insufficient attention was paid to personnel management; there was an impersonal attitude to staff. One witness was critical of the fact that no indication of the contents of their annual reports was given to staff, but another was most impressed with the reporting procedures. It was suggested that all staff in positions of authority should have some training in staff management, and that staff in personnel management should be professionally qualified so that Establishments work was not treated as just another job; some officers in Establishment divisions should spend their whole careers on this work, but it was recognised that there should also be officers in Establishments brought in for shorter periods to contribute fresh experience of operational divisions.

Class structure

7. One Principal said that the class structure should be abolished and that there should be a unified grading structure, a single ladder from the bottom to the top. A similar opinion was argued by another Principal in terms of current feeling inside and outside the Service, about structure, if the system of separate classes was opposed widely and strongly, as appeared to be the case, then it should be replaced, for its advantages could be gained in other ways. Other comments were made in the context of the Treasury's paper¹ the Administrative and Executive Classes should be merged as proposed by the Treasury; there should be a "starred" entry for the fliers.

8. Several commented that in the Service there was a more rigid demarcation than in industry between administrators or managers and specialists, and it was thought that better provision should be made for specialists to move into higher management.

Recruitment, training and career development

9. One Principal said that recruitment to the Service should not rely so heavily on high academic standards; the base of recruitment should be broadened.

10. Some had found a marked superiority in the Administrative Class over the rest of the Service; there was an abrupt gap in quality, not a gradual improvement up the scale, which they thought was unhealthy.

11. It was argued that greater specialisation was inevitable; the day of the gifted amateur was over. A number of points were made about the need for specialisation in recruitment and training; there should be more administrators

¹ Memorandum No. 1

with a general scientific education, non-specialists should be encouraged to get professional qualifications in accountancy, management, etc.; there should be special courses for the requirements of single departments or groups of departments; there should be a general training course for Civil Servants consisting of some law, some economics and other subjects which would be taught in a business school; it should lead to a professional qualification in public administration. The training of young administrators should include periods of secondments to industry and commerce, which one Principal suggested, might be as long as five years. Another thought that training should include a spell "on the shop-floor" within the Service, e.g. on a regional tour, involving contact with the public.

12. One Principal was critical of the present standard of training on the job and thought in particular that the arrangements for a period of hand-over when one man succeeded another in a job were inadequate.

13. Some thought that movement between jobs within Departments was too frequent because it dissipated expertise and accumulated knowledge. Others saw some virtue in it because it brought fresh minds to deal with problems and made staff adaptable. It was suggested that there should be more movement between Departments.

Contacts with the outside world and mobility

14. Some thought that Civil Servants had no real understanding of the problems of outside organisations; experience should be broadened. Another said that it was absurd to allege that individual Civil Servants were isolated or insular.

15. The Principals felt that the present scheme had been beneficial to the Service, their employers and themselves and that it should be continued, but the reservation was made by some that entrants at Principal level could not make sufficient impact, and in future men from industry should come in at Assistant Secretary or above. There were divided opinions about secondments in the other direction: some thought that Principals, for instance, would do well in industry; others that little would be gained from a one- or two-year stint. The point was made that enhanced mobility on a more permanent basis would require changes in pension arrangements.

Working conditions

16. Conditions of work, with regard to pay, leave, promotion, security, staff representation were good. The view was expressed that pleasant and civilized relations with colleagues and the absence of a competitive, egotistic atmosphere were among the main attractions of life in the Service.

17. The inadequacy of secretarial and other assistance, notably to Principals, was uneconomic and a major drawback in working conditions.

18. The physical environment of government offices was poor to the point, in the words of some, of squalor.

Image of the Service

19. Several expressed concern about the poor image of the Service in the outside world. It had a harmful effect, e.g. on recruitment. More attention should be paid to the matter and, according to one suggestion, professional public relations agents should be appointed.

MEMORANDUM No. 142

submitted by

DR. ROY PRYCE

Director, Centre for Contemporary European Studies, University of Sussex

July, 1966

International Aspects of the Functions of the Home Civil Service

Introduction

1. The existence of international obligations and membership of international organisations are not in themselves new phenomena. Up till now, however, their incidence on the work of the Home Civil Service has tended to be sporadic and—in many areas of policy—peripheral. In the future the range and depth of the United Kingdom's obligations are likely to increase, as is the number and scope of the international organisations to which it belongs. In considering the future of the home Civil Service it is therefore necessary to take into account the needs arising out of the growing incidence of this international dimension of governmental activity.

2. Within this general trend, the possibility that we may become a member of the European Communities presents a series of special problems. A number of these arise out of the uncertainty surrounding the timing of a new negotiation and the eventual prospect of membership. Other—and more important—problems arise out of the extent of the obligations we should assume in the event of membership and the dynamic nature of the process of integration in which the United Kingdom would then be involved.

3. The purpose of this paper is to suggest a number of considerations relevant to policy with regard to the recruitment, training and structure of the home Civil Service in the general context of an intensification of the international aspects of its work, and to examine a number of specific needs arising out of the possibility of membership of the Communities.

Recruitment and training

4. The type of Civil Service which will be required in the future is one which will not only be capable of carrying out its domestic duties, but also of defending the national interest in the international sphere. It is also important, from the

point of view of our national reputation in the world at large, that we should ensure an adequate flow of men and women able and willing to perform effectively a range of functions as permanent or temporary members of the increasing number of international organisations.

5. Many of the skills required of a Civil Servant operating in an international context are the same as those needed at home. There are, however, certain types of additional expertise which are essential for a successful international performance. An effective knowledge of one or more foreign languages is one; a broad understanding of the habits, psychology, and administrative and political systems of foreign countries is another; and knowledge and experience of the particular techniques of international negotiations and action is a third.

6. Although some of these skills can only be acquired through direct experience of international action, a basic grounding in many of them can be taught prior to such experience. There is everything to be said in favour of such training being considered as an integral and essential part of the professional preparation of the future home Civil Servant.

7. While the incidence of international obligations on different policy areas will continue to be uneven, it would be rash to assume that any will be permanently insulated from such obligations. Indeed, it may well be that certain areas of the national life which have not hitherto been regulated by national legislation will be affected in the future by international negotiations or by the activity of international organisations. This has already happened, for instance, in the context of the work of the E.E.C.

8. The aim should therefore be to build up within the Service, at all levels and on the widest possible scale, a body of men and women with the technical capacity and experience to acquit themselves well in an international context.

9. It follows from this that, as far as recruitment is concerned, the service should seek to ensure that it attracts an adequate flow into its ranks of young men and women with linguistic capabilities, and with a broad knowledge of the contemporary world. Periods of residence or study abroad should be considered as an advantage, and a special effort should be made to inform and attract those who are concluding their studies in foreign parts.

10. Care should be taken that, once admitted into the service, those with such special capacities and experience should be nurtured and encouraged. This could be achieved in a variety of ways:

- (a) the provision of incentives for the further study of foreign languages, particularly those which are in wide use in international organisations;
- (b) the provision of study facilities (either directly, or through allowing suitable candidates to attend external courses) to encourage the making of international comparisons, the acquisition of knowledge about the activities and functioning of relevant international organisations, and of foreign systems of administration and government;

- (c) the provision of opportunities at regular intervals for direct observation of, or participation in, the work of international organisations.

11. At the same time an effort should be made to increase the numbers within the service with a linguistic capability by offering facilities for basic language training.

12. The opportunities available for late entry by those having relevant linguistic capabilities and international experience should also be extended. (See also paragraph 15.)

Structure

13. An initial question which arises is whether the concept of a home Civil Service, sharply divided in recruitment and functions from a diplomatic service, will remain valid in the future. An increasing number of home Civil Servants will be drawn into the international arena, while many diplomats will become in effect external agents of the Board of Trade and other home Ministries. We are rapidly moving into a situation in which it will be at least as important for the home Civil Servant to have an intimate knowledge of the outside world as it is for the diplomat to understand his own country. Even if the formal distinction remains, it will be of the utmost importance to increase the flow of information between the two services, to encourage them to work together, and to introduce much greater mobility between them.

14. Similarly, the structure of the Service should be such as to allow easy passage in and out of the service of international organisations. Such movement should be encouraged, and indeed regarded as part of a normal career pattern.

15. The structure of the Service should also allow the entry into its ranks, in either a temporary or permanent capacity (as well as for full- or part-time work) of experts from other spheres who will be required for particular situations involving international experience or an understanding of the international dimensions of a particular problem.

16. The structure should also be such to permit the speedy and effective mobilisation of expertise from several different departments which may—and will—be required for the conduct of a particular negotiation, and for the pursuit of a coherent policy within a given international organisation, or series of organisations. Severe penalties are attached to the projection into the international sphere of internal bureaucratic rivalries (as the German experience in the E.E.C. has shown all too clearly).

17. The problem of rigidities of structure is also one which is of particular importance in an international context. Membership of a particular international organisation may well cut across established lines of responsibility at home, and result in a less than fully-effective deployment of resources if the necessary internal structural changes cannot be speedily made. Some mechanism is required to prevent a series of purely *ad hoc* arrangements which may militate against a sound long-term structural development.

Some specific problems in the European context

18. In the present situation it is clearly difficult to judge the amount of effort that should be put into preparing for a situation (i.e., a new negotiation leading to membership) which may or may not arise, and the timing of which it is difficult—if not impossible—to forecast.

19. However, the commitment to membership of all the major political parties (albeit with varying reservations about the conditions to be fulfilled), and the penalties attached to a further failure in the event of a new negotiation, suggest that serious attention should be paid to this problem.

20. This consideration is further reinforced by the following factors:

- (a) any new negotiation is likely to be much less prolonged than was the case in 1961–63; the period for its preparation is also likely to be brief;
- (b) should entry be successfully negotiated, we should be faced by an obligation to adopt a wide range of intricate measures already agreed by the present members of the Community, a number of which have far-reaching implications;
- (c) we should also be joining a Community whose present members have a long experience of negotiating with each other;
- (d) we should also be faced by a moving situation in which further areas of national policy would be involved in Community decision-making;
- (e) we should be required not only to set up an organisation at the national level to operate within the Community (working groups of national experts, Committee of Permanent Representatives, Council of Ministers, etc.) but also to provide a quota of British nationals for the staff of the Community institutions.

21. In this situation the benefits to be derived from membership of the Communities, and our capacity to exercise effective influence within them, will depend very largely on our degree of prior preparation for, and understanding of, the Community system.

22. It would therefore seem prudent to make at this stage certain dispositions in terms of recruitment, training and structure with a new negotiation and the possibility of membership in mind. Such steps should, for instance, include:

- (i) the deliberate building up, both at the initial recruiting stage and by subsequent training, of a body of linguistic expertise in the major official Community languages (particularly French and German);
- (ii) the organisation of an effective flow of information about the development of Community policy to the relevant departments, and regular discussion of its implications with a view to the identification of problems to be raised in negotiations or for further study;

- (iii) the building up of a detailed body of knowledge on certain matters in order to optimise our performance both during a new negotiation and, should this be successful, as a member of the Community. Particular studies should, for instance, cover:
- (a) the structure and methods of the Community's decision-making processes;
 - (b) the negotiating strategies and tactics of the present members of the Community in crucial fields of policy-making with a view to identifying the main thrusts of national policies, and the strengths and weaknesses of their negotiating positions and methods;
 - (c) the internal organisation and functioning of the national civil services of the Six, with a view to understanding how they operate in the Community context;
 - (d) the implications for the organisation and functioning of home departments in the event of membership. Particular attention should be given to those policy areas—such as agriculture—where the major decision-making function has already been transferred from the national to the Community level;
- (iv) the constitution of at least a skeleton organisation capable of expansion into an effective negotiating team at short notice.

MEMORANDUM No. 143

submitted by

MR. J. H. ROBERTSON

*Senior Consultant, C-E-I-R Limited
(formerly, Private Secretary to the Head of the Civil Service
and Secretary of the Cabinet)*

January, 1967

TABLE OF CONTENTS

	<i>Page</i>
SUMMARY... ..	1022
I. INTRODUCTION	1024
II. HISTORICAL	1025
Introductory	1026
Growth of Central Government	1027
Changed Functions of the Civil Service	1027
Policy-Making and Administration... ..	1028
Changes in Staff Structure	1030
Changes in the Mode of Work	1031
Changing Allocation of Responsibilities among Ministries	1032
Management of the Civil Service	1033
Supporting Services	1035
H.M. Diplomatic Service	1035
Civil Servants and Other Public Servants	1036
The Public Service and the Private Sector... ..	1037
The People, Parliament and The Crown	1038
The Servants of The Crown... ..	1040
Patronage in the Public Service	1041
Conclusion	1042
III. SHORTCOMINGS OF THE PRESENT ARRANGEMENTS	
Introductory	1042
Multiplicity of Authorities	1043
Blurred Responsibilities	1043
Financial Control	1045
Excessive Centralisation	1048
Excessive Secrecy	1050
The Effects of These Shortcomings... ..	1050
Conclusion	1051

IV. THE IMPACT OF MANAGEMENT SCIENCE AND TECHNOLOGY

Introductory	1052
The System Concept	1053
Management Accounting	1057
Information-Processing and Decision-Making	1057
Decision-Making Techniques	1059
Research and Development... ..	1060
The Use of Computers	1060
Current Developments in Computer Technology... ..	1061
Impact on the Work of Government	1064

V. THE FUTURE PATTERN OF BRITISH GOVERNMENT AND THE ROLE OF THE CIVIL SERVICE

Introductory	1066
Principles	1066
Central Government... ..	1068
National Boards, etc.	1069
Accountability of National Boards, etc.	1071
Regional Authorities and Local Authorities	1072
Pattern of Interrelationships	1073
The Role of the Civil Service	1074
Possible Misconceptions	1075

VI. PROPOSALS 1076

VII. IN CONCLUSION 1079

APPENDIX: ALLOCATION OF MINISTERIAL RESPONSIBILITIES AMONG ELEVEN MINISTRIES 1081

SUMMARY

An epoch in the history of British government is ending. The Committee must make a fundamental re-appraisal of the tasks of the Civil Service, its environment, and its techniques in order to reach useful conclusions about its future structure, recruitment and management (Section I).

The great expansion in the functions of government over the last hundred years (Section II) has confused the secretariat role, for which the Civil Service was designed, with a managerial role, for which it was not. As the once separate tasks of government have become more closely interrelated, the management of the Civil Service has gradually become more unified; but this process has not yet been completed. Our present system of government, of which the Civil Service forms a part, has not been created by logic or design; it represents the unplanned accumulation of answers to a multitude of different problems which have arisen over the years. As a result of this piecemeal development it is now difficult to discern a logical distinction between the functions of Civil Servants and those of other public servants. Finally, the present relationship between

Parliament and the Executive—together with the organisation and methods of control of the Civil Service which this relationship involves—is based on the traditional struggle between the parliamentarians and the servants of the monarch, and is unsuited to a people who have now become self-governing.

The system of government which has thus evolved suffers from a number of shortcomings (Section III). Because of its unplanned growth it contains too many authorities and there is great confusion of responsibility between them. Thus we are burdened with what the Haldane Committee called "Lilliputian administration". The present system of financial control in government, which stems from the traditional relationship between Parliament and the Crown, is out of date and causes much inefficiency. These factors lead to too much centralisation, which leads in turn to too much secrecy. The whole pattern of public administration, including nationalised industries, regional authorities and local government as well as the Civil Service, must be reviewed if these shortcomings are to be removed. Only in the context of such a review can the Committee usefully make recommendations on the future of the Civil Service.

Current advances in management science and management technology (Section IV) will have a profound impact on government and therefore on the Civil Service. The application of the new techniques will involve a systematic approach to decision-making and information-handling; and decision-making and information-handling are essentially what government is for. This in turn will encourage the emergence, "out of the scattered fragments" which exist today, of a more integrated system of government at every level—central, regional and local. Greater use of these techniques in government will involve a much greater emphasis on management accounting, research and development, and the use of computers in making decisions and handling information. It seems certain, for example, that the 1970's will see the emergence of a country-wide network of interlinked computers supporting the whole structure of government. These developments will necessitate, and make possible, more deliberate methods of controlling organisational change than have been thought necessary in the past. In these ways the application of the new techniques will help to solve the problems of fragmentation, confusion of responsibility, and unplanned growth, and thus help to eliminate the other shortcomings of the present arrangements.

The impact of these techniques will be felt not just at the level of routine administration. It will also be felt, sooner than many people yet recognise, at the highest policy-making level. The use of these techniques will profoundly affect the nature of Civil Service work and the numbers and types of people who are needed to do it. Not least, they will make redundant many of the administrative and clerical staff required by the present organisation using traditional techniques.

Thus a new pattern of government—central, regional and local—will emerge under the impact of management technology in response to the shortcomings of the current arrangements. This is likely to be on the lines sketched in Section V. Among other things it will involve the delegation to executive agencies of much of the work for which Ministries are directly responsible today. This pattern will constitute the environment for the Civil Service of the future. It therefore provides the background against which the future structure, recruitment and management of the Service must be considered. The possibility arises

that the distinction between the Civil Service and the rest of the public service will eventually lapse altogether.

Section VI contains proposals about what now needs to be done. It envisages a programme of reform which will take ten or fifteen years to accomplish. The main responsibility for carrying through this programme must rest with a Prime Minister's Department, to be formed out of a merger between No. 10 Downing Street, the Treasury (management side), and the Cabinet Office. Apart from recommendations for other changes in government organisation and procedures, a number of specific proposals are made about such matters as training, recruitment and staff management.

This programme of reform will provide solutions to our present problems in government, and will enable us to face the problems of the future. We are entering a phase of history in which, as a people, we shall have to take decisions of kinds which men have never had to take before. These will raise acute moral and political problems. If we are to be able to deal effectively with these problems our political leaders must delegate responsibility for many of the basically managerial and technological problems which occupy their attention today. This will, incidentally, restore the traditional distinction between the secretariat and managerial functions of Civil Servants. Similarly, the professionals and technical men in their turn must delegate to machines as much routine decision-making and information-handling as they can.

That is the context in which the Committee are considering the future of the Civil Service. This evidence is submitted in the hope that it will help them in their historic task.

I. INTRODUCTION

1. The Civil Service exists to perform certain tasks, in a certain environment. Certain techniques exist for dealing with these tasks. As time passes, the tasks and the environment change, and the techniques develop. The Civil Service must change and develop with them.

2. Before considering what changes are required in the present structure, recruitment and management of the Civil Service, one must first ask:

- (1) What are the tasks of the Civil Service, and the environment in which it has to operate? How have these changed?
- (2) What methods have been used for dealing with these tasks? How have these methods developed?
- (3) What has been the effect of these changes and developments on the organisation, management and staffing of the Civil Service?
- (4) How well suited is the Civil Service, in the form in which it has thus evolved, to the tasks it is now required to carry out?
- (5) What new techniques now exist, or are being developed, which are relevant to government work? What will their impact be?

3. The twentieth-century history of British government, as an institution, is truly remarkable. In a period which has included two world wars, the most

far-reaching advances in science and technology that men have ever known, and a quite unprecedented expansion in the functions of the State, the British system of government has developed smoothly and continuously out of the pattern laid down towards the end of the nineteenth century. It has not only weathered the great emergencies and shouldered the rapidly growing burden of its peace-time tasks; it has also tackled very successfully the problems of its own continuing modernisation and growth. The British Civil Service, which has played so large a part in this history, certainly was and probably still is the finest in the world. Anyone who, even for a few years, has played a part in its work must take pride in its achievements.

4. But the Service has now reached the end of an epoch—an epoch stretching back to the days of the Victorian Liberals, whose attitudes and outlook provided the foundations upon which the Service was built and upon which it still rests. The Committee's task, as I interpret it, is to draw up the outline for a new Service, designed for the very different functions of government in the late twentieth century, for the very different environment in which government now has to operate, and for the very different tools and techniques which it now has at its disposal.

5. It is with diffidence that I submit this evidence to the Committee. It is rather long; it traverses ground that members will have had to cover already; and some may feel that it ranges rather more widely than their own interpretation of the Committee's terms of reference. But it has seemed to me that in putting to the Committee what some people will regard as rather radical views about the future of the Civil Service I should try to present coherently the line of thought on which these views are based.

6. This is, briefly, that government is a system for taking decisions and handling information; and that before it is possible to say what sort of people should be recruited to work in government and how they should be managed, it is necessary to examine how the system needs to be developed to take the decisions and handle the information with which it now has to deal. What I have to say stems from practical experience of some of the problems of central government, from continuing reflection on these problems and on the relevance to them of current developments in management science and technology, and from deepening certainty that really fundamental and systematic changes of approach and attitude are now required. I hope that my evidence will be of some help to members of the Committee in their important and difficult task, and that they will forgive me for imposing upon them the labour of reading it.

II. HISTORICAL

"It is as though, in his pictures, an artist were to bring together hands, feet, head and other limbs from quite different models, each part being admirably drawn in itself but without any common relation to a single body."

Copernicus, *On the Revolution of the Heavenly Spheres*.

Introductory

7. The pattern of British government towards the end of the nineteenth century reflected the traditional concept of society in this country. We had never had a centralised administration such as that created by Napoleon in France. There had been pressure by the Benthamite or Utilitarian movement for the introduction of a rational system of government; and the Northcote-Trevelyan reforms had gone some way, but not very far, towards creating a unified Civil Service. But, broadly speaking, nineteenth-century reformers accepted the basically pluralist approach to government in Britain, which showed itself most clearly in the principle of independent local government.

8. The changes which have taken place in the pattern of government since then reflect a growing acceptance that government must play a larger and larger part in every aspect of our affairs. The efficiency of our industry and our education are now vital to our survival as a nation; government's concern with them has become close and direct. The comparatively small and scattered forms of social welfare of the nineteenth century have developed and coalesced into the welfare state; government is now concerned with most aspects of the welfare of the individual citizen. *Laissez faire* economic theory is no longer accepted; government has assumed responsibility for managing the country's economic and financial affairs, and for securing economic growth.

9. These trends themselves reflect deeper changes. The scale and complexity of men's activity has grown enormously, owing to advances in science and technology. Motorways and other modern civil engineering projects, aviation and defence projects, the planning of new towns and conurbations, the provision of health and social security services—these are matters which have to be handled on a scale which virtually precludes local or private management. The development of communications, and especially of the press and broadcasting, has focused attention on government and has encouraged people to look increasingly to it when they want to get things done. The nineteenth- and early twentieth-century extensions of the franchise, the expansion of education, and the spread of scientific attitudes, have encouraged people to seek an increasing measure of control over the way in which the country's business is managed. In this sense, the continual growth in the functions of the State represents our achievement, as a people, of a continually growing measure of self-government.

10. The changes which have taken place in the pattern of British government since the last century are of four kinds.

- (1) The acquisition of new functions by the central government.
- (2) The acquisition by central government of functions for which local government was previously responsible.
- (3) The appearance of a large number of nationalised industries, public corporations and public boards (such as the Coal, Gas and Electricity Boards, the Bank of England and the B.B.C.) to perform functions which previously were either not performed at all or were performed by local government or private enterprise.

- (4) The emergence of regional agencies of government (first for Scotland, Wales and Northern Ireland and now, more recently, for every part of the country), to fill what had been found to be a gap between central and local government.

11. All these changes have taken place gradually, in a continuing process of evolution over the years. Their cumulative effect on the structure of central government has been profound.

Growth of Central Government

12. One major consequence has been the growth of the organisation in sheer size. In 1910, for example, there were nineteen Cabinet Ministers, seven non-Cabinet Ministers and twenty-two junior Ministers, making a total of forty-eight; in 1966 there were twenty-three Cabinet Ministers, twenty-seven non-Cabinet Ministers, and forty-one junior Ministers, making a total of ninety-one. The number of Ministries has also grown. In 1914 there were sixteen Ministries or the equivalent; in 1966 there were twenty-five—twenty-two if one excludes the Colonial Office, the Ministry of Land, and the Ministry of Aviation. There were 280,000 non-industrial Civil Servants in 1914; by 1966 there were over 700,000. Total central government expenditure has increased more than forty times since 1914, from £175 million in 1914 to about £8,000 million today. Total public expenditure is now running at nearly £11,000 million. Investment in the public sector comprises over two-fifths of the country's total investment.

13. As the scale of central government activity has grown so has its complexity. In the nineteenth century the government's tasks fell into separate, well-defined compartments. External affairs, defence, some responsibility for law and order, some responsibility for regulating trade, and raising the revenue—these were the traditional activities of government. Very little co-ordination between them was needed. Since then, as the central government's responsibilities have expanded to cover every aspect of national life, its functions have become more and more closely interwoven with one another, and it has no longer been possible to try to handle them in separate compartments. To meet the continually increasing need for co-ordination there has grown up, out of the Committee of Imperial Defence and its secretariat, set up in 1904, the whole machinery of Cabinet Committees, supported by the Cabinet Office, which we have today.

14. These developments—the great increase in the central government's responsibilities and the growing need to co-ordinate them—have had important effects on the nature of the work of the Ministries and on the way in which the Civil Service is staffed and managed.

Changed Functions of the Civil Service

15. The traditional function of those who worked in the Ministries was to serve the Ministers who formed the government of the day—to help them with their business in Parliament, to draft letters and speeches for them, to conduct interviews on their behalf and to issue instructions on their behalf to those who

would have to carry them out. This was fundamentally a secretariat service, as the titles of the ranks in the administrative class suggest. Lord Strang, speaking of the Foreign Office at the turn of the century, describes it as little more than a clerical office for the Foreign Secretary. It

"had only a very small part to play, by comparison with our own times, in the formulation of policy, for it was not recognised as having any advisory duties. It was in fact little more than the Secretary of State's clerical organisation. There was, of course, much copying, cyphering and filing to be done. But of drafting (which appertains essentially to the advisory role) there was very little by modern standards. Sir John Tilley records that when he joined the Foreign Office in 1893 the register of the Eastern Department was still kept by what we should now call an officer of Branch A of twelve years' service. Lord Salisbury never consulted his Permanent Under-Secretary, Sir Philip Currie, on any matter of importance, did much of his work at home, and on occasion kept his transactions with other governments completely secret from the Foreign Office. Sir Thomas Sanderson who succeeded Currie as Permanent Under-Secretary did not regard it as incumbent on him, or indeed proper for him, to volunteer advice on policy to his Minister."¹

Perhaps the staff of the Foreign Office has an unusually restricted role. But it was generally accepted that the staff of the Whitehall Offices were, as the terminology suggests, little more than Ministers' secretaries.

16. Since then the secretariat function has been augmented by a growing managerial function. Most Ministries now have large direct or indirect responsibilities for managing hospitals, transport, the armed forces, industries, or social services; and even traditional activities like preparing the budget or controlling Civil Service personnel now have to be treated as major managerial functions and not simply as appendages to the personal work of Ministers. The Permanent Secretary in most Ministries is now a director-general as well as a top secretary.

Policy-Making and Administration

17. Many people believe that, as a result of these developments, government work is now divided into two different types, the first called "policy-making" and the second called "administration" or "management"; and they have supposed that Ministers and the Civil Servants close to Ministers are responsible for policy-making while other Civil Servants are responsible for administration or management. This distinction is misleading. Ministers are, in fact, responsible for management and administration; for example, the Ministers in charge of the Treasury and the Department of Economic Affairs are responsible for managing the country's finances and economy, the Minister of Social Security for administering the services concerned with social security, and the Secretary of State for Defence for managing the country's defence effort. Conversely, officials quite remote from Ministers are responsible for policy-making; there are, for example, officials who have to frame rules for deciding when vehicles for the Army or ambulances for the National Health Service shall be scrapped rather than repaired, or for deciding how many staff are required to man a

¹ *"The Foreign Office," Lord Strang, George Allen and Unwin, 1955, p. 146.*

tax office or a pensions office with a given load of work. The first of these is called "casting policy" by the Army; the second is complementing policy. There is a whole host of areas of government activity of this kind in which policy is, and must be, made by officials. The fact is that the difference between policy-making and administration is purely relative. My superior makes policy for me to administer, and in administering it I make policy for my subordinates to administer. This is why everyone in a large managerial organisation tends to think that policy-making and administration happen to interlock at his level.

18. The supposed distinction between policy-making and administration (or management) in fact obscures two real distinctions which are of great importance. The first is the distinction between the managerial or executive role and the secretariat or advisory role, i.e. between responsibility for taking decisions and responsibility for providing information and advice to the decision-takers. The second is the distinction between different levels of decision-making. These two types of distinction can be shown schematically as in Figure 1.

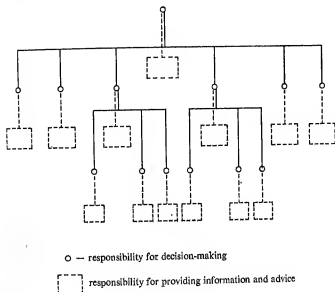


Figure 1.

19. This figure shows three levels of decision-making, with each decision-making point supported by its own organisation for providing information and advice. It indicates how decisions made at higher levels have a wider span and thus provide a framework within which decisions of lesser generality can be

made at lower levels. It could be taken to refer to the Prime Minister supported by the Cabinet Secretariat on the highest level, Ministers supported by the headquarters staffs of their Ministries at the second level, and executive agencies of government supported by their headquarters staffs at the third level.

20. The figure also suggests another traditional principle of British government: that those responsible for administering a policy should participate in making it; in other words, that those responsible for making decisions at one level should participate in making the higher level decisions which provide the framework within which they have to operate. This principle is exemplified by the Cabinet system itself, and by the traditional right of the Service Chiefs of Staff to advise the government on military decisions. In modern organisation theory it has become known as the "linking pin" principle.

Changes in Staff Structure

21. Under the Northcote-Trevelyan system the traditional role of the Civil Servants in the Ministries was limited to the secretariat and advisory role. It was their function to process the information and provide the advice which Ministers needed in order to take decisions. They have now assumed an executive or managerial role, i.e. a decision-taking role, as well.

22. This expansion in the role of the Ministries, together with the fact that the work of the various Ministries is now closely interrelated, has had a marked impact on the structure of the staff and on their methods of work. In the administrative class, for example, there were three working grades in 1914—Permanent Secretary, Assistant Secretary and Principal. (There was also a Principal Assistant Secretary rank but it was not one of the regular grades.) In some Ministries the Permanent Secretary had a Deputy; and there was also the cadet or training grade of Assistant Principal. Sir John Wheeler Bennett¹ gives the following description of the Home Office.

"When Anderson took charge of the Home Office in 1922 it comprised only seven administrative divisions. These dealt with a wide range of differing subjects which might indeed have been handled by seven different Departments. . . . Each of these divisions was in the charge of an Assistant Secretary. Between these heads of division and the Permanent Secretary there were only two superior administrative officers; neither of these was a genuine Deputy—each had a rather specialised role. . . . Thus for the most part Anderson dealt directly with the heads of various divisions—devolving on them a much larger measure of responsibility than is enjoyed by Assistant Secretaries nowadays. They were men of mature experience, with detailed knowledge of their own subjects; and he allowed each of them to run his own division, though he encouraged them to go to him for guidance and advice."

The situation is different today. Between the Assistant Secretary and the Head of his Department two, and in some Ministries, three additional grades have been incorporated in the structure. The rank of Under Secretary has been created; there are now over 250 Under Secretaries. There is a rank of Deputy Secretary there are sixty-five Deputy Secretaries altogether. Finally, it seems possible

¹ "John Anderson," *Viscount Waverley*, p. 84.

that two grades of Permanent Secretary are emerging in the place of one; the top administrative structure of the Treasury consists of two senior Permanent Secretaries above three Permanent Secretaries, and the Ministry of Defence has one Permanent Secretary above a line of Second Permanent Secretaries, while the Diplomatic Service and the Cabinet Office are each headed by a senior Permanent Secretary.

23. Perhaps even more important than the growth of the hierarchy vertically has been its expansion horizontally. First, the number of administrative divisions has grown greatly. There are for example, about thirty-five Assistant Secretaries in the Home Office today, compared with seven in 1922. Secondly, the administrative divisions are flanked today by a multitude of scientific and professional cadres which scarcely existed at all, even in 1914. There are agricultural and veterinary advisers and investigators, statisticians, economists, lawyers, scientists of a wide variety of types, inspectors of education, doctors, engineers, architects, inspectors of constabulary, housing and planning inspectors, information officers, and a host of others, all with their own self-contained hierarchies and career structures.

24. The growth of these scientific and professional cadres alongside the administrators in the Ministries reflects the growth of the executive and managerial responsibilities of the Civil Service. The fact that these cadres are separate from the administrators both reflects and perpetuates a division of responsibility. Professional responsibility for the functions of a Ministry tends naturally to fall to the professional staff (the military in the Ministry of Defence or the architects in the Ministry of Public Building and Works, for example) while responsibility for controlling the expenditure involved and for providing information to Ministers rests with the administrative staff. In recognition of the shortcomings inherent in this arrangement, attempts have been made in some Ministries (of which Technology is perhaps the most recent example) to integrate the work of administrative and professional personnel. But, given the existence of separate cadres, this can give rise to problems of divided loyalties. It also tends to conflict with the traditional system of financial control in government—a point to which we shall return.

Changes in the Mode of Work

25. The growth in the volume of work and the growing need for closer and closer co-ordination between the growing number of different Ministries and different divisions and cadres within Ministries has brought about great changes in the mode of work in Whitehall.

26. The traditional method of processing the work and reaching decisions was by minuting files to one's superior giving information and advice and seeking instructions, and to one's subordinates giving instructions and seeking information and advice. Occasionally some other person would have to be consulted and the file would be minuted to him. But the main flow of information ran vertically up and down clearly-defined chains of command and channels of communication. Decisions of any importance would have to be taken by the Minister. Communication with another Ministry was normally conducted at

arm's length with official formality, on behalf of and often on the instructions of the Minister himself. Even in 1914 the Committee system was quite undeveloped; the Cabinet itself was an informal body with no secretariat or other official machinery to support it. Responsibility for reaching decisions was clearly apportioned, laterally by their subject matter and vertically by their importance, just in the way that Figure 1 (paragraph 18) suggests.

27. Today things are quite changed. Ministers cannot in any real sense be responsible for many of the decisions taken by their Ministries, simply because there are so many. Informal communication between Ministries takes place constantly at every level. A vast network of inter-departmental committees has grown up, as a substructure to the Cabinet. Similar networks exist within Ministries too. My own work as an Assistant Secretary in the Ministry of Defence was mainly concerned with inter-departmental working parties of a "steering" committee. Before decisions could be taken, the recommendations of this committee, framed after argument about the conclusions of the working parties, had first to be considered by a number of other committees: first by two committees of principal military officers (one for administrative questions, the other for personnel questions) and one committee of second Permanent Secretaries (for questions of finance and civilian management); secondly by a combined committee composed of these three; and thirdly by the Defence Council. On matters of particular importance the Service Boards might also be brought in. The Ministry of Defence contains twenty separate hierarchies with heads at Board level or above and is perhaps peculiarly committee-ridden for that reason. But this mode of work is now becoming general in all Whitehall Departments. It is instructive to compare it with Wheeler Bennett's description of work in the Home Office forty-five years ago.

28. This change from individual work to committee work, together with the growth of the managerial responsibilities of the Ministries, is the main cause of the particularly marked expansion of the Higher Civil Service, whose members are responsible for the work of co-ordination and higher management. There were under 300 members of the Higher Civil Service in 1929, nearly 500 in 1939, over 1,000 in 1950, and about 2,300 today. This rate of expansion greatly exceeds that for the non-industrial Civil Service as a whole.

Changing Allocation of Responsibilities among Ministries

29. One other important feature has emerged in the organisation of Whitehall over the last sixty-odd years. Not only have the once separate functions of government drawn much more closely together, but the relative importance of different functions has begun to change more rapidly over the years in step with the growing rate of economic, technological and social change. This has led to an accelerating process of structural change as the allocation of responsibilities has shifted between existing Ministries and as new Ministries have been set up to handle new responsibilities. One can perceive, looming out of this misty process of structural change, a kind of rhythm of fragmentation and reintegration—the proliferation of new Ministries as new tasks have arisen for which no existing Ministry has seemed suitable, and the amalgamation of two or more Ministries as, with the passage of time, their tasks have become more

and more closely interrelated. Perhaps this process of fragmentation and reintegration can be seen most clearly in the evolution of the defence departments: new Ministries were set up to handle the new tasks associated with air warfare and the growing industrial and technological problems of military production and supply; and, as it became more and more unrealistic to regard war on sea, war on land, and war in the air as entirely separate activities, closer and closer co-ordination has led eventually to all the government's defence responsibilities being brought under a single Ministry. But the same process is hardly less evident in spheres such as external affairs, economic affairs, social security, education and science, and fuel and power; and it is discernible in every other field of government activity. It is a continuing process, which provides the mechanism for changing the set of categories into which government work is divided at any particular time. As the pace of economic and social change accelerates, we may expect this continuing process of structural change in government to quicken too. We have to learn to accept it, as a permanent feature of the Whitehall scene, and to bring it under more deliberate, conscious control than has seemed necessary in the past.

Management of the Civil Service

30. With the expansion of government activity and the gradual breakdown of the barriers between its different parts, it has become increasingly necessary to co-ordinate personnel management between one Ministry and another. This, together with growing recognition of the need to stimulate training and what are generally known as "management services" in all fields of government, has led to the emergence of Civil Service management as itself an important function of government. It is instructive to trace briefly how this function has slowly disentangled itself from the now separate function of financial control.

31. Treasury control of the Civil Service stemmed originally from its control of expenditure. Between 1780 and 1850 pressure to reform the organisation and staffing of Government Departments was based primarily on the need to save public money, and from then on the Treasury tended to take the lead in questions of Civil Service pay and pensions. They were also made responsible for supervising recruitment to the Service by competitive recruitment through the Civil Service Commission and for encouraging the division of work between different classes of suitably qualified staff as recommended in the Northcote-Trevelyan report of 1854. Even so, before 1914 the various Ministries and Departments retained a large measure of separate autonomy. Each was entirely responsible for its own management, subject to financial control by the Treasury, and there was very little interchange of staff between one Ministry and another. Indeed, it is unrealistic to think of a unified Civil Service in those days at all.

32. Between 1914 and 1939 the Service became increasingly unified. Immediately after the First World War the Administrative Class and the Clerical Class were established (the Executive Class had existed since 1875), thus providing all Ministries with the three tier administrative/executive/clerical structure which still exists today. In 1919 it was laid down that the Permanent Secretary to the Treasury should act as Permanent Head of the Civil Service and should advise the Prime Minister about Civil Service appointments and decorations. In

1920 it was laid down that the consent of the Prime Minister must be sought to the appointment or removal of Permanent Heads of Departments, their Deputies, Principal Finance Officers and Principal Establishment Officers. The development of Service-wide staff associations after the First World War made it increasingly necessary to co-ordinate the various Ministries in negotiations about pay and conditions of service, and the Treasury took the lead in this. These growing responsibilities in respect of Civil Service management were reflected in an internal Treasury reorganisation in 1919. Previously there had been no separate division or branch in the Treasury dealing exclusively with establishment matters; now there was to be a separate group of establishment divisions.

33. During and after the Second World War the trend towards a unified Home Civil Service has continued and the Treasury's responsibilities have developed further. They fall into two main categories. First, the task of personnel management has increased greatly, owing to the growth in total numbers of staff, the increasingly complex structure of professional, scientific and technical grades, the increasing complexity of pay negotiations, and—as the barriers between Ministries have gradually weakened—a considerable increase in the amount of staff interchange between them. These developments have led to attempts to rationalise the structure of professional, scientific and technical grades and classes throughout the service and to a much closer Treasury interest in the career planning of staff in other Ministries. Secondly, as the work of administration has increased in complexity, the need for training and for the development of management techniques and management services has grown. It has fallen naturally to the Treasury to assume the central responsibility for supervising the efforts of the Civil Service as a whole in these fields.

34. This further growth in the Treasury's responsibilities for Civil Service management, and the fact that Civil Service management had now become an identifiably separate function from that of financial control, was recognised in 1956, when two Joint Permanent Secretaries were appointed, one to be responsible for economic and financial affairs and the other as Head of the Home Civil Service. The 1962 reorganisation of the Treasury recognised it even more clearly, when the Treasury was divided into two quite separate sides, one responsible for financial and economic affairs and the other for Civil Service management.

35. Between 1956 and 1962 the Joint Permanent Secretary who was Head of the Home Civil Service was also Secretary of the Cabinet, but since 1962 the post of Head of the Home Civil Service and that of Secretary of the Cabinet have again been separate. In principle, there is obviously much to be said for an arrangement whereby the same person is responsible to the Prime Minister both for the management of the Civil Service and for the co-ordination of its work under the Cabinet. In practice, if such an arrangement is to be acceptable as a permanency, some way must be found of reducing the work-load at present involved. Moreover, so long as the Home Civil Service and the Diplomatic Service remain separate and, to some extent, rival Services, it may be difficult for the Head of one of them to be also the Secretary of the Cabinet. However, in later paragraphs (see, for example, 38 and 39, and 168) it is suggested that

there are in any case strong reasons for drawing the Home Civil Service and the Diplomatic Service closer together, and for devolving much of the day to day work of managing the Civil Service to an enlarged Civil Service Commission. If these suggestions were adopted (together with the proposal—paragraph 139—to reduce the number of Ministries and thus ease the burden of co-ordination which falls on the Secretary of the Cabinet) much of the present difficulty about combining the posts of Secretary of the Cabinet and Head of the Civil Service would be removed.

36. To sum up, the Treasury's responsibilities for managing the Civil Service centrally are now extensive, are continuing to grow, and are now handled by what is virtually a separate Department from the other side of the Treasury; at the same time, each Ministry remains responsible for managing its own Civil Servants. Staff are now transferred between Ministries, under the supervision of the Treasury, with increasing frequency; at the same time each Ministry maintains its own separate staff list, and the transfer of a Civil Servant from the "books" of one Ministry to another is a matter which has to be negotiated—often with difficulty—between them. This half-way house between the traditional pattern of Civil Service management by separate, autonomous Ministries and Departments whose existence was expected to be permanent, and a new pattern of centralised management of a fully unified Service whose work is organised in categories which are subject to rapid change, is not satisfactory. There can be no doubt that the divided responsibility inherent in the existing arrangements makes it more difficult to tackle constructively the problems of machinery of government, management services, training and personnel management which Whitehall faces to-day; and, however unjustified this may be, it sometimes gives rise to a sense of unfair treatment among individual officials. There seems much to be said for taking the recent trend of development to its logical conclusion and creating a central authority for managing the Civil Service.

Supporting Services

37. The services required to support the central government—accommodation, furnishing, stationery, recruitment, and publicity—have, of course, expanded in parallel with the expansion of government activity. Central agencies—H.M. Stationery Office, the Civil Service Commission, and the Central Office of Information—exist for the provision of office equipment and stationery, for recruitment and for publicity and are, as seems natural, attached to the management side of the Treasury. But, for purely historical reasons, provision of government accommodation is the responsibility of a quite separate Ministry—Public Building and Works—which is also responsible for providing furniture other than "office equipment". This is a curious arrangement when one thinks about it. The division of responsibility for planning organisational changes and for planning the facilities required by them is undoubtedly quite a serious weakness in the present arrangements for managing the Civil Service.

H.M. Diplomatic Service

38. As the Home Civil Service has become progressively more unified over the years, so—out of the Ministries concerned with external affairs, and the

various cadres of officials controlled by those Ministries at home and abroad—a unified Diplomatic Service, separate from the Home Civil Service, has also emerged, by a similar process of evolution. Although the Diplomatic Service is not specifically included in the Committee's terms of reference, the future relationship between the Home Civil and the Diplomatic Service is obviously relevant to their task.

39. It will probably seem strange in twenty years' time that the gradual emergence of a unified Home Civil Service and a unified Diplomatic Service should have resulted in their complete separation from one another just at the time when the distinction between administration and diplomacy is losing its validity. The growth of international organisations, whose work is essentially a mixture of diplomacy and administration; our efforts to join the European Economic Community, in which our external and domestic affairs would be inextricably intermingled; our own Ministry of Overseas Development, staffed by home Civil Servants but wholly orientated towards external affairs—these are three clear indications that administration and diplomacy, domestic affairs and external affairs, can no longer be handled in separate compartments. Increasingly close co-operation and increasing interchange of staff between the two Services will be necessary over the next five, ten or twenty years. It will be interesting to see how long their separate identities will last.

Civil Servants and Other Public Servants

40. There is no need to trace the steady encroachment of central government power over the local authorities in such spheres as education, police, transport and social services. There is no need to describe in detail the development of regional forms of government in Scotland, Wales and Northern Ireland and of regional economic co-ordination in other parts of the country. Nor, finally, is it necessary to chronicle the growth in the number of nationalised boards, public corporations and the like from the foundation of the B.B.C. in 1926 to the creation of such bodies as the National Board for Prices and Incomes, the National Economic Development Office, and the Industrial Reorganisation Corporation during the last year or two. But there are certain features of these developments which must be noted.

41. First, there have now evolved four different types of organisation in the structure of British public administration:

- (a) The Whitehall Ministries, headed by Ministers and co-ordinated by the Cabinet system.
- (b) Bodies, including Commissions, Departments, Boards and Corporations—such as Inland Revenue, Monopolies Commission, Bank of England, National Board for Prices and Incomes, and the B.B.C.—which provide services or discharge functions on a national scale and are responsible to a Minister but not under the direct control of his Ministry.
- (c) Regional bodies, including Scottish and Northern Ireland Departments, the Welsh Office, and Regional Councils and Boards.
- (d) Local Authorities.

42. Second, the pattern formed by this miscellany of institutions has not been determined by logic or design. It represents the accumulation of answers which have been given over the years to a whole host of separate problems about different aspects of the national life.

43. Third, there is no very clear idea of the sort of function which bodies at various levels ought to carry out. The organisation which provides the postal services and telecommunication services—i.e. the G.P.O.—is to cease to be a Ministry and become a national Board; and this is widely accepted as a forward-looking move. The organisation which provides the national assistance service—i.e. the National Assistance Board—ceases to be a national Board and is incorporated in a Ministry; and this is widely accepted as a forward-looking move. Which is the right approach? And why?

44. Fourth, relations between these four types of body are ill-defined—between Ministries and national Boards, between Ministries and local authorities, between regional authorities and local authorities. Take any subject—police, education, town planning, air transport, rail transport—there is no clear definition of where the Ministry's responsibilities end and the responsibilities of the national Board, regional authority or local authority begin. There is, in fact, a great deal of overlap and duplication.

45. Finally, it is not at all clear on what principles some of the people who work in these institutions are civil servants and some are not. Why are the people who work in the national assistance offices Civil Servants, while those who work in post offices are not? (or are they?) Why are scientists who work at the Ministry of Aviation or Ministry of Defence Research Establishments Civil Servants, while those who work in Atomic Energy Research Establishments are not? Why are Inland Revenue officials Civil Servants, while Bank of England officials are not? There are historical answers to these and a host of similar questions; but there are no logical answers. Nobody can draw a clear line between the sort of work that Civil Servants do and the sort of work that other public servants do.

The Public Service and the Private Sector

46. It is not just the difference between Civil Servants and other public servants that has become obscured with the passage of time. The same is true of the public sector and the private sector. We now have a complete spectrum of institutions ranging from Government Departments at one end to purely private firms at the other. State pensions and national insurance are administered directly by an orthodox government department, the Ministry of Social Security, under the authority of its Minister. Posts and telecommunications are administered by another government department, the Post Office, still operating under the direct authority of its Minister but already with special financial arrangements which recognise the quasi-commercial character of its work. The National Health Service is run indirectly by a government department through semi-autonomous regional boards. Most of the fuel and power industries are run by public corporations. But the oil industry is in the hands of large private firms—in one of which, however, the government owns a substantial

shareholding. There are organisations like the Bank of England and the B.B.C. not government departments administered by Civil Servants, but performing a public function and administered by public servants not unlike Civil Servants. There are the universities, not subject to direction by central government but operating increasingly within a framework of policy and financial control laid down by the government. There are police forces, education authorities, and other local government organisations, again not explicitly under the direction of the central government but operating within increasingly strict constraints imposed by central government. Major firms like Shell and I.C.I. are not public enterprise undertakings, but they are hardly private undertakings in the normal sense of the word. Their capital is distributed among thousands of shareholders, many of whom are themselves corporate; their managements are not interested primarily in the maximisation of individual private profit; and their operations are governed by a very real attention to the public interest. Some industries, such as the cotton, steel, ship-building, aviation and computer industries are or have been heavily dependent on public finance. The catalogue could be continued almost indefinitely. Our mixed economy has come to be composed not of a simple blend of two clearly distinguishable types of undertaking, private and public, but of numerous different types showing a wide variety of constitutional, legal, financial and managerial characteristics.

47. Thus, whereas once Civil Servants were a comparatively small number of people doing work which was distinctly different from that done by the rest of the community, they are now a comparatively large number of people doing work which is remarkably similar to that done by many other people. Most of the staff in a Ministry like the Ministry of Defence, a nationalised industry like the Coal Board, or an industrial firm like I.C.I. or Shell are doing much the same type of work in much the same type of organisational environment. And they are making much the same sort of contribution to the well-being of the community.

The People, Parliament and The Crown

48. What then distinguishes Civil Servants from the rest of the community? In a technical sense the definition is quite clear. Civil Servants are "servants of the Crown, other than holders of political or judicial offices, who are employed in a civil capacity and whose remuneration is paid wholly and directly out of monies voted by Parliament". What was the historical significance of this definition? And what is its practical significance today?

49. The status of Civil Servants, as thus defined, derives from the long struggle between Parliament and the Crown, the introduction of parliamentary monarchy in 1688, and the development of the machinery of parliamentary control over the administration during the following two centuries. During this period it became accepted that it was Parliament's role, acting on behalf of the people, to curb the actions of the Crown and to prevent abuses by servants of the Crown. The word "Crown" in this context referred personally to the monarch. Although the struggle between the parliamentarians and the monarch is now a matter of history, our present system of government is still based on the relationship between Parliament and the "Crown", which is implied by that struggle.

50. As an illustration of this, take the system of financial control. Historically, it has been the function of Parliament acting on behalf of the people, to regulate the amount of money raised by the Crown in taxation and spent by the Crown on its own purposes. The system of financial control which evolved was designed to enable Parliament to prevent abuses: to prevent the Crown taking too much of the people's money; to prevent the Crown spending this money on undesirable objects; and to prevent malpractice, speculation and corruption by servants of the Crown. The system was never designed to give Parliament powers of constructive management: the power to decide how much of the people's money it would be best to spend on public purposes; the power to decide how this money would best be allocated between various public purposes; or the power to ensure that, having been allocated, it was spent to best effect by the servants of the Crown. Traditionally, Parliament has not thought of itself as representing the interest of the shareholders in the national business, but as representing the interest of the subject people against the Crown. It has not been concerned with the efficient management of public affairs on behalf of the people, but with protecting the people against the Crown. Today, this conflict between people and the Crown exists no longer. The people have taken over the State. But Parliament's arrangements for controlling public expenditure remain much as they were before. The main emphasis continues to be placed on audit and the avoidance of abuse, rather than on efficient management.

51. Or consider the organisation of government. What is Parliament's role here? Two well-known writers on British Government have described it as follows:

"In British constitutional development the central administration, by virtue perhaps of its origin as the personal instrument of the Crown and because of the special role of the Cabinet in our system of government, has usually been left to keep its own house in order. Certainly during our period (1914-56) Parliament has never conceived its duty as being to handle the details of administrative organisation. Nowadays departmental arrangements are rarely of primary political concern: 'machinery' Bills are almost sure to empty the House of Commons."¹

Given the vital connection between policy and the organisation required to carry it out, this seems an extraordinary state of affairs. It can be explained only in historical terms. The monarchy may have adapted itself to the realities of contemporary government, but the parliamentarians and the "servants of the Crown" have not.

52. This anachronistic relationship between the Legislature and the Executive, together with the great expansion of government activity over the last hundred years, also explains the excessive secrecy attached to government business.

53. Political confidentiality is a necessary adjunct to our system of parliamentary and cabinet government. It would become virtually impossible for Ministers to carry collective responsibility in Parliament for the Government's decisions, if the whole process by which they reached these decisions, including all the arguments, counter-arguments, doubts, hopes, and fears expressed by individual

¹ *Chester and Wilson, "The Organisation of British Central Government, 1914-1956," p. 365.*

Ministers, was public knowledge. Parliament itself is the forum for public political debate; the Cabinet is not. Similarly, in discharging their individual responsibility for the work of a Ministry, Ministers must be allowed to enjoy the confidential advice of their officials, and to accept it or reject it without the fact being made public. Sir John Anderson (Lord Waverley)¹ described the relationship between Ministers and Civil Servants:

"In my experience, the relationship between a Minister and his senior departmental advisers is of a very close and intimate character. The Civil Servant is the recipient of many confidences, and I have never known such confidence abused. If the Minister feels he can tell his departmental adviser frankly what his difficulties are—difficulties with his political opponents and with his party colleagues—the adviser will be in a position to apply far more intelligently and helpfully the departmental advice which it is his main function to contribute. It is upon the effectiveness of the partnership established between the Minister, irrespective of party, and his chief permanent advisers, that the practical results attained largely depend. This applies not only in administration but also in the transaction of parliamentary business. No head of a department can perform his duties adequately unless he is thoroughly familiar with parliamentary forms and procedure."

54. The problem is not that this convention of political confidentiality exists. It is that it now extends to wide areas of activity to which it is intrinsically irrelevant. There is an area of central government activity in which political and parliamentary considerations are paramount and which is therefore legitimately shielded from public view. But the greater part of government work today, where professional and technical considerations are of primary importance, falls outside this area. Consequently a clearer distinction is required between the two than exists at present. One would expect this to coincide with the distinction between the secretariat functions and the managerial functions of Civil Servants. The implication is that these functions should be split. In the traditional terminology "policy-making" should be carried out in private, but "administration" in public.

The Servants of The Crown

55. What of the Civil Servants themselves, the "servants of the Crown"? The Civil Service of today is still based on the principles behind the Northcote-Trevelyan reforms. The most important of these principles was that Civil Servants should form a specially selected cadre of honest, competent, non-political officials. They should be appointed by competitive examination, rather than by political patronage, to a permanent career as professional servants of the Crown. They were not expected to leave the service of the Crown, which was regarded as apart from, and—for historical reasons—in conflict with, the interests and activities of other elements of society. They should enjoy a degree of security in their jobs and special superannuation arrangements which were not available in most other walks of life. (Non-contributory pensions had been introduced primarily to remove the temptation to corruption; but, since

¹ Quoted by Wheeler Bennett, p. 168.

they were also non-transferable, they encouraged Civil Servants to continue their service until retiring age and, since dismissal would result in loss of pension rights, they fostered amenable behaviour and good discipline.) Thus in those days Civil Servants enjoyed a privileged position close to the centre of affairs, a special status as servants of the Crown, and a high degree of security in comparison with their fellow citizens. They cheerfully accepted the restraints on their private and political behaviour, and on their career mobility, which went with their special position.

56. Today the task of the Civil Service and the work and status of most of its members have quite changed, along with the changes that have taken place in the role of central government over the last hundred years. So too, with the widespread introduction of transferable pension schemes, has the degree of security available in other professional walks of life. Personnel management in the Civil Service is adapting itself to these changes. There has been a good deal of concern that recruitment both to the Home Civil Service and the Diplomatic Service should be more widely based and should more accurately reflect the standpoint and attitudes of the country at large than was strictly necessary under the traditional Northcote-Trevelyan system. It is now accepted in principle that some interchange of staff between the Civil Service and other walks of life is a good thing. In practice, this has meant that it is now possible for certain categories of Civil Servants to leave the Civil Service without forfeiting their pension rights, that some people from the universities and industry are being recruited into the Civil Service in mid-career, and that conferences and training courses attended jointly by Civil Servants, industrialists, and academics are being encouraged. These are obviously moves in the right direction. But do they go far enough? If the differences between work in the Civil Service, work elsewhere in the public sector and work in much of the private sector have lost their traditional significance, then the basic principles of personnel management which derive from them will *ipso facto* have been rendered obsolete.

Patronage in the Public Service

57. One of the main purposes of the Northcote-Trevelyan reforms of the nineteenth century was to remedy the situation which had grown up over appointments to posts in the service of the Crown. Political and personal patronage had reached a point where the resulting expense and inefficiency caused continuing public scandal. The Civil Service Commission was established to bring recruitment to the Service under some sort of orderly control.

58. The twentieth-century growth of public service bodies outside the Civil Service—national Boards, Corporations, etc.—has presented new opportunities for political and personal patronage. Without suggesting that these opportunities have been abused by recent Governments, it is clear that some sort of institutional arrangement will soon be necessary to bring appointments to these boards, etc., under orderly control. A Public Service Commission would be the twentieth-century equivalent of the nineteenth-century Civil Service Commission. It would thus seem logical for the Civil Service Commission to develop, in due course, into a Public Service Commission.

Conclusion

59. The aim of this historical sketch has been to place in perspective the major changes which have taken place in the organisation, management and staffing of the Civil Service over the last fifty or a hundred years. Changes in the tasks of government have led to changes in the types and numbers of people needed to carry them out, changes in the way these people are organised, managed, and recruited, and changes in the methods by which they work. Some of these changes have not yet been taken to their logical conclusion. Moreover, the fundamental changes which have taken place—that as a people we now govern ourselves, that Parliament's primary role is no longer to protect us against oppression by the monarch, and that the servants of the Crown are no longer a special group of people standing outside and to some extent in conflict with the community as a whole—these changes are by no means fully reflected yet in the way the government is organised and staffed, or in the way government business is done.

III. SHORTCOMINGS OF THE PRESENT ARRANGEMENTS

"Entia non sunt multiplicanda praeter necessitatem."

William of Ockham.

Introductory

60. The previous section has suggested certain aspects of Civil Service management in which changes are desirable. Before following these up, however, we need a clearer idea of how the future pattern of executive government is likely to evolve and what is likely to be the role of the Civil Service in it. The future pattern will depend in the first place on the solutions which can be found to current problems. So in this section I shall try to summarise what seem to be the main shortcomings in the present arrangements.

61. I would list them as follows:

- (a) Multiplicity of different authorities.
- (b) Confusion of responsibilities between them.
- (c) Anachronistic system of financial control.
- (d) Excessive centralisation.
- (e) Excessive secrecy.

In the following paragraphs I shall try to show that these shortcomings are closely interrelated, and that they derive directly from the two major features noted in the last chapter. These were, first that the present arrangements have not been shaped by logic or design, but represent the unplanned accumulation of answers to a multitude of different problems which have arisen over the years; and secondly, that the relationship between Parliament and the Executive—together with the organisation and methods of control of the Civil Service which this involves—is based on the historical struggle between Parliament and the Crown and is unsuited to the needs of a community which has now become self-governing. I

shall also sketch briefly some of the problems which these shortcomings raise for those who have to deal with government authorities and for those who have to work for them.

Multiplicity of Authorities

62. There are too many authorities and therefore too many people involved in every aspect of government business. In central government, for example, there are too many Ministers and Ministries, and within each Ministry there are too many different divisions, too many separate hierarchies, and too many different levels of authority.

63. Take the number of Ministries and Ministers. Can the government's functions really be divided between more than twenty Ministries in such a way that the Minister in charge of each has a reasonably well-defined and self-contained sphere of individual responsibility? Can the Cabinet, even with the support of its committee substructure and its secretariat, effectively co-ordinate work which is split up into more than twenty different compartments? Does a Cabinet twenty-three strong comprise an effective decision-making body? Can fifty senior Ministers, let alone another forty, really share collective responsibility for government policy? The answer to all these questions is clearly "No". Under the present arrangements the twin doctrines of individual and collective Ministerial responsibility have become little more than a fiction.

64. The size of the Cabinet has, of course, been recognised as a problem for a long time, and various solutions have been propounded. The Haldane Committee in 1918 thought that the Cabinet should be small in number—preferably ten or at the most twelve. In 1947, in "Thoughts on the Constitution", L. S. Amery argued in favour of a small policy-making Cabinet; he was convinced that a Cabinet consisting of a score of Ministers was quite incapable of either thinking out a definite policy or of securing its execution. Many others have considered the question of how the Cabinet should be composed. None has hit on a generally accepted answer, but all without exception have agreed that the Cabinet should be smaller than it is today.

65. Most recent Prime Ministers seem to have accepted this view, in theory. But in practice, they seem always to have discovered, to use Abraham Lincoln's graphic words, that there are "too many pigs for the tits". Given Parliament's nonchalant attitude towards "machinery of government", they have found the personal and political pressures to increase the number of offices more compelling than the claim of efficient government that the number should be reduced.

Blurred Responsibilities

66. Not only are there too many authorities in government; the definition of responsibilities between them is very blurred. For example, what precisely is the division of responsibility between the Department of Economic Affairs, the Ministry of Technology, the Board of Trade, the Ministry of Labour, the National Economic Development Office and the Economic Development

Councils, the Industrial Reorganisation Corporation, the British Productivity Council, the National Board for Prices and Incomes, etc., etc., etc., for improving the efficiency and productivity of British Industry? Where precisely is the dividing line between the responsibilities of the central government and the responsibilities of local authorities for education, environmental planning, police, or social welfare? Who precisely is responsible for dealing with the manpower, supply and financial problems of the armed forces—the separate Navy, Army and Air Force Departments of the Ministry of Defence, or the Central Department? In all these cases and many others no clear answer can be given.

67. The tendency for the number of organisations to increase and for the allocation of responsibilities between them to become more obscure is accentuated by the methods normally adopted to bring about organisational change. In the first place, when new organisations are set up to do new tasks there is always quite a long time-lag before the corresponding old organisations are wound up. Secondly, as the demarcations between existing bodies become obsolescent, the first step towards their integration is often the creation of a new body to co-ordinate them. Thus the Ministry of Defence was set up in 1946 alongside the Service Ministries and, even after their merger in a unified Ministry of Defence, there are still four departments where previously there were three. Similarly, the Department of Economic Affairs was set up alongside, not instead of, the other economic Ministries. For these two reasons there is inevitably a tendency for the number of Ministers and senior officials to grow, together with the confusion of functions and responsibilities between them.

68. This confusion of responsibilities reflects confusion about objectives. To put it bluntly, Ministers do not know precisely what they are trying to do. They decide that it is no longer sensible to manage the country's defence effort on the basis that sea warfare, land warfare and air warfare are separate activities, so they set up a Ministry of Defence to manage it on the basis that they are not; but they leave the existing Departments to continue to try to manage it as if they are. They no longer wish to manage the economy in the traditional way, so they set up a Ministry of Economic Affairs to try to manage it in a new way; but they leave the Treasury to carry on as before, in tandem. They decide that the Board of Trade has not been active enough in promoting efficiency in industry; so they set up a Ministry of Technology, not instead of it but alongside it. And so on.

69. The multiplicity of authorities at the Whitehall level, and the overlap of responsibilities between them, is necessarily reflected in multiplicity and overlap lower down the line. This is self-evident, in principle, if one thinks of the organisation as a hierarchical structure on the lines shown in paragraph 18. It is borne out in practice by the duplication of work which occurs, to take three examples at random, between the Inland Revenue and the Ministry of Social Security in respect of the social benefits and tax allowances to which individual citizens are entitled, between the various different authorities responsible for compiling related statistical series (see "List of Principle Statistical Series Available", H.M.S.O. 1965), and between the various Ministries and other government agencies with which industrial and commercial firms are required to deal on closely related matters.

Financial Control

70. The struggle with the Crown having led to parliamentary control over public expenditure, Parliament had by the latter half of the nineteenth century come to regard the Treasury as its principal instrument in exercising this control. Thus today it is the Chancellor of the Exchequer who presents the annual expenditure and revenue budget to Parliament; and it is the Treasury which has to authorise all expenditure proposals before their submission to Parliament, to exercise the powers of financial control delegated by Parliament, and to lay down the form in which government accounts should be kept. The three specialist Committees of Parliament which operate in the field of financial control—the Public Accounts Committee, the Estimates Committee, and the Committee on Nationalised Industries—look naturally to the Treasury for advice and support in their dealings with government departments. The system of financial control which has thus evolved has had a profound effect on the organisation and methods of work of government.

71. First, it has imposed the division between managerial responsibility and financial responsibility which is to be found throughout Whitehall and beyond. Ministries are responsible for carrying out the functions allocated to them, but the Treasury must be responsible, as Parliament's watch-dog, for authorising the required expenditure of money. Within a Ministry the professional staff carry a major responsibility for the professional business of the department, but financial responsibility has to rest with a separate cadre of administrators acting as the watch-dogs of the Treasury. The local authorities are responsible for managing the business of education, police, etc., etc., but they have to depend on the financial approval of the Ministries, acting as the watch-dogs of Parliament and the Treasury. Under the present system of Parliamentary control of expenditure there can be very little delegation of financial responsibility to the person who is actually in charge of an activity. There must always be a financial watchdog at the manager's elbow, ready to bark at him, or even bite him. In such circumstances, no one can be made fully responsible for the success or failure of the business in hand.

72. Secondly, but closely connected with the previous point, the present system of financial control and audit by Parliament through the Treasury and the Comptroller and Auditor General is diametrically opposed to modern principles of financial decision-making and management accounting. A brief discussion of these principles is to be found in Section IV. They are based on the concept that the control function in an enterprise is concerned with steering and measuring its performance, not with piecemeal decisions and haphazard inquisition.

73. The Committee on Control of Public Expenditure¹ (the Plowden Committee) described in 1961 the piecemeal nature of government decisions on expenditure.

"In the traditional system in this country, as it developed in the nineteenth century and has continued through the lifetime of successive Governments to the present day, the tendency is for expenditure decisions to be taken

¹ *Cmnd. 1432, 1961, para. 8.*

piecemeal. The individual Department Minister asks the Chancellor of the Exchequer for the money he needs for a new proposal of policy. If, the Chancellor is content, and the new proposal is agreed by the Cabinet, the Minister can then proceed. If, on the other hand, the Chancellor says 'No', the Minister may appeal to the Cabinet. Discussion among Ministers is likely to centre on the merits of the particular proposal, in relation at most to a general background of the financial situation, rather than upon the competing claims on the present and future resources of the country which are represented by the aggregate of the spending policies of the Government. There are exceptions to this, notably in the handling of public investment; and at the same time of the year when the Estimates are being examined, the financial background is usually brought out more sharply than at other times. But in general over the whole of public expenditure throughout the year the system is one of piecemeal decisions."

This applies not just at the Ministerial level, of course. Right through Whitehall and beyond, the official who wants to spend money in carrying out his task must seek financial authority for doing so, unless the item of expenditure has been explicitly foreseen and agreed up to eighteen months beforehand, when he prepared his estimates. Since the Permanent Secretary of the Ministry concerned may be held personally responsible by the Public Accounts Committee for any expenditure incurred on his Ministry's vote, and since the Treasury too may be rebuked by Parliament for individual cases of mis-spending by Departments, it is no wonder that requests for approval to spend money so often have to be referred to higher authority.

74. The situation is beginning to change in the right direction. The Plowden Committee endorsed the development of regular forward surveys of public income and outlay over a period of years ahead, as the background to major expenditure decisions. They also endorsed certain changes in the form of the Estimates, Appropriation Accounts and Exchequer Accounts, which would simplify them and bring them into closer relationship with the National Income and Expenditure Accounts. The attempt has been made to set financial targets for the nationalised industries, and to relieve them of detailed financial control. From time to time the Treasury extends the financial authority it delegates to other Ministries. But these changes have not yet gone very far. Indeed, the Plowden Committee itself took a very traditional attitude towards the control of public expenditure:

"The central problem is that of how to bring the growth of public expenditure under better control, and how to contain it within such limits as the Government may think desirable"; and

"We must emphasise again that this is not a question of whether there should be Government policies that involve relatively high or low levels of public expenditure; the question of how any Government can ensure that public expenditure is kept within whatever level they believe to be right".¹

The question of how to decide what limits are desirable and what level of public expenditure is right is explicitly excluded from consideration; the question of how to decide the allocation of expenditure within whatever limits are chosen

¹ *Cmnd. 1432: paragraphs 6 and 12.*

is not mentioned. The process by which the government makes financial decisions is assumed to be different from the process of controlling expenditure. Policy is assumed to be one thing, administration another. Where finance is concerned, Parliament is assumed to be interested in administration but not in policy. Old traditions die hard.

75. Thirdly the present system of detailed financial control by Parliament and the Treasury means that the cash system of accounting has still to be used in accounts of government expenditure. The Crown is given specific sums of money to spend on specific objects. The purpose of the accounts is to show that these sums have been spent faithfully by the servants of the Crown on the objects for which they were voted. It has never been the purpose of the accounts to show that the Crown was getting good value for the money it spent. Parliament has not historically been interested in that. This explains why, when departments engaging in trading activities were required to prepare trading accounts, and when certain departments introduced management costing procedures, responsibility for these functions was often given to different staffs, operating with different sets of figures, from those involved in the preparation of government accounts for Parliament. It also explains why, when programme budgeting has been introduced as a basis for investment appraisal and cost/benefit studies, as in the Ministry of Defence, this too has been regarded as a separate activity from the "normal" financial control and accounting function. A recent proposal, apparently made in all seriousness, that a special Ministry or Department should be set up to improve the cost/effectiveness of all the others, would take this process of proliferation one stage further.

76. All these features of the present system of financial control in government stem from a failure to realise that financial control consists in taking decisions about expenditure, and that to take decisions about expenditure is to take decisions about what shall be done. Again (see paragraph 18), the logic of the decision-making structure is hierarchical. Within the allocation of expenditure which my superiors have made to me, I should make sub-allocations to my subordinates, and so on. Once again, the true distinction is not between policy and administration, between making decisions about expenditure and controlling expenditure. The distinction is between the different levels at which financial decisions are taken and the different span (or degree of generality) associated with decisions at different levels.

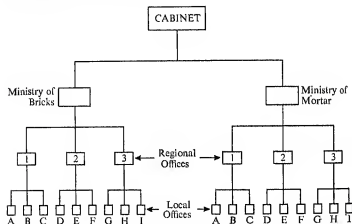
77. As it comes to be more fully recognised that financial decision-making and financial control are the same thing, and that both are an integral part of management at every level, not something separate from it or even in conflict with it, the emphasis must shift from auditing to management accounting, and from day-to-day control by specialist financial staffs to delegated control of expenditure by the managerial staffs concerned. Traditional methods of inspection must be replaced by modern methods of performance measurement and control.

78. The sooner this happens the better; the present arrangements impose an unnecessary burden of inefficiency and an unnecessary requirement for staff who could otherwise be more fruitfully employed. But it cannot happen without

a change in the relationship between Parliament and the Executive. Until that change takes place, not only will there continue to be too many hands on the steering wheel of each vehicle but back seat driving will continue to be universal too. Whitehall will continue to suffer from back-seat driving by Parliament; the Ministries from back-seat driving by the Treasury; local authorities and nationalised industries from back-seat driving by Whitehall. In each case the superior authority will continue to inspect and chivy the detailed day to day activities of its subordinates, rather than do its proper job, which is to lay down a set of goals for them to work towards, a framework of constraints for them to work within, and a system for measuring their success or failure in achieving the goals prescribed.

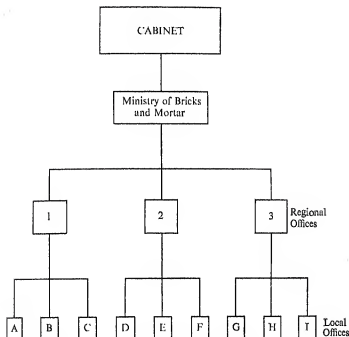
Excessive Centralisation

79. Quite apart from the methods of financial control adopted, the fragmentation of government responsibilities is bound to result in excessive centralisation. Take a simple hypothetical example. Suppose we have a Ministry of Bricks and a Ministry of Mortar. Each of these Ministries has regional and local offices. The organisation looks like this.



Suppose it has been decided that in the district from which the local offices labelled E are responsible the central government will build a housing scheme; the Ministry of Bricks will be responsible for the bricks and the Ministry of Mortar for the mortar; the plans for the houses and their construction will be the joint responsibility of the two Ministries in co-ordination. It is not difficult to see that any issue on which the two local offices are unable to agree will have to be referred to the regional offices; that if the regional offices of the two Ministries cannot agree they will have to refer to the Ministries themselves; and that if the Ministries cannot agree the Cabinet will have to be brought in. In short, when responsibilities are fragmented, many decisions have to be taken centrally. Fragmentation implies centralisation.

80. What happens if our two Ministries are merged in a single unified Ministry of Bricks and Mortar? The organisation chart now looks like this.



Under this arrangement the man in charge of local office E can be put in full charge of the house-building scheme. The chances that he will have to refer decisions to his regional office, that the regional office will have to bring in the Ministry, or that the Ministry will have to bring in the Cabinet, are greatly reduced. A much greater degree of responsibility for taking decisions can be decentralised. Unification thus leads to decentralisation.

81. The present fragmentation of government authorities and the confusion of responsibilities between them, together with the existing system of financial control, inevitably lead to excessive centralisation. Responsibility can only be decentralised to the level at which decisions fall within the province of a single authority; responsibilities cannot be decentralised at all if they are not clearly defined; and, even when responsibility is decentralised in theory, in practice back-seat driving will soon pull it back to the centre. One only has to look at the way government industrial establishments are managed for a good example of this.

Excessive Secrecy

82. Excessive secrecy in government follows from excessive centralisation as night follows from day. They are opposite sides of the same coin. The transactions between a Minister and the Civil Servants helping him to make his decisions must be confidential (see paragraph 53). The more government decision-making is centralised in Whitehall the wider spreads the shroud of secrecy over government work.

83. Minister's decisions are part of the political process, and their reasons for making them should be shielded from the public eye. But the facts upon which Ministers have to decide, and the professional or technical evaluation of these facts, are not part of the political process and should be public knowledge. At present, routine decisions of government officials far from the centre of affairs, and routine information which they compile, must be kept confidential in order to shield their Minister from the possibility of political attack. This is wrong for two reasons. First, it means that Parliament and the public have no means of telling whether the professionals are doing a good job, and thus no means of bringing pressure to bear on them to improve their performance if necessary. Second, it means that Parliament and the public have no means of knowing whether Ministers are or are not taking whatever political decisions may be necessary, and thus no means of judging Ministers' decisions against the facts.

The Effects of These Shortcomings

84. These shortcomings developed by our system of government over the years—fragmentation of functions, confusion of responsibilities, excessive centralisation, and excessive secrecy—affect both those who deal with the government and those who work for it.

85. Those who deal with the government find it difficult to deal with a multitude of authorities with different and sometimes inconsistent approaches to a problem. They are exasperated by what, at least to them, seems like muddle and delay; and, although they often suspect that confusion lurks behind the cloak of official silence, there is often nothing they can do to sort it out—no one they can go to for an answer or a decision. "Nobody takes decisions in government", they say. "Decisions just get taken—eventually." The industrialist, especially the manager of a small firm, is bothered by different, uncoordinated demands made upon him by the Board of Trade, Ministry of Labour, Ministry of Technology, Inland Revenue, Ministry of Social Security, Department of Economic Affairs, etc., etc., and by the different, uncoordinated forms of assistance, advice, and exhortation which they offer him. The sick, the badly housed, the poor, the unemployed, and those with family problems—who are so often the same people—are baffled at having to deal with different authorities with different, possibly conflicting, sets of rules and regulations about the various aspects of what to them is the same problem. In some particular areas of government work, such as the assessment and collection of taxes, there are signs that the accumulation of complexity and delay has nearly reached the point where complete breakdown might occur.

86. From the point of view of those who work for the government the situation is no better. I have heard the Ministry of Defence described by one inhabitant as "a comic nightmare, by Kafka out of the Marx Brothers"; by another as a system cleverly designed to maintain itself in static equilibrium—as soon as one part moves, several others automatically move to counteract it! There is obviously an element of humorous exaggeration here. But there is more than an element of truth. The old theory of checks and balances is working all too successfully, throughout Whitehall. It is a tribute to the energies of so many of the Civil Servants and professional men who work there that results so often emerge from the jungle of conflicting objectives, contradictory policies and opposing interests, through which they have to struggle.

87. This state of affairs involves a growing misuse of valuable manpower in central government, which as a people we can ill afford; and it means, on the personal plane, that many of the individuals concerned do not enjoy an opportunity to develop their full potential. This is especially true of the younger men and women in the Administrative and Professional Classes, whose output—in terms of what actually happens in the outside world as a result of their work—is really very low in comparison with the contribution they could make. Most of these people, with a Higher Civil Service 2,300 strong, cannot expect to become the close confidential advisers of Ministers; nor will they be given, as Civil Servants, full responsibility for managing part of the enterprise. The multiple hierarchy and day to day control imposed by Parliament through the Treasury condemns them to work in a sort of twilight zone, an ever-expanding no man's land, which offers neither the satisfactions nor the disciplines of the old administrative Civil Service or of professional work done according to professional standards. This state of affairs frustrates those who are able and energetic and accommodates those who are not.

Conclusion

88. It is no criticism of any of the individual people involved to say that the situation now prevailing in Whitehall is serious, and that it is deteriorating. Beyond a certain point muddle becomes self-generating. More and more people are brought in to unravel it, but in fact they succeed only in ravelling it further. That point may have already been passed.

89. If this diagnosis is accepted, at least in general outline, it suggests the type of remedies which should be sought. Unification of authorities now fragmented; clearer definition of responsibilities between different authorities; introduction of arrangements for controlling organisational change more consciously and deliberately than in the past; adoption of a modern system of financial control based on the principles of management accounting; decentralisation; and publication of more information about government activities which are primarily professional or technological, rather than political, in character—these appear to be the elements from which a positive and coherent approach can be formed to the main problems in our system of executive government today. In practice, such an approach must take the form of a comprehensive review of the functions of government and a systematic reorganisation of the way in which they are at present handled. And the immediate changes needed in Civil Service management are those which will render the Service capable of carrying through a reorganisation of this kind. This is the purpose of some of the proposals in Section

VI. Before exploring them further, however, we have to consider the impact which is going to be made by advances in management science and management technology.

IV. THE IMPACT OF MANAGEMENT SCIENCE AND TECHNOLOGY

"As experimental science has gained wider and wider fields, and won increasing recognition, it has often happened that critical stages for advance are reached when what has been called one body of knowledge can be brought into close and effective relationship with what has been treated as a different, and a largely or wholly independent, scientific discipline."

Sir Frederick Bartlett; *Thinking*.

Introductory

90. The management responsibilities of government are now massive. The decisions which have to be taken in discharging them are many and complex, and the information on which these decisions must be based is voluminous. The effect of management science and technology (which include most importantly the techniques of taking decisions and handling information) on government and therefore on the Civil Service is obviously going to be profound.

91. In this section I shall try to suggest, as simply and briefly as the subject allows, what form their impact is likely to take. Three particular points are important.

- (a) These techniques will affect the nature of the work which has to be done and therefore the number and qualifications of the people required to do it.
- (b) They will affect the structure of government and therefore the role of the Civil Service.
- (c) Finally, the concepts which underlie the techniques illuminate many of the traditional problems of public administration.

92. In any field of technology, the development of new techniques tends to have several effects. First, it makes it possible to do traditional things with fewer men supported by more powerful machines; for example, a few men with bulldozers can move as much earth as an army of men with shovels. Secondly, it makes it possible to do things and solve problems that were not previously done and solved at all; for example, new types of civil engineering projects can be undertaken. Thirdly, it makes it necessary to change traditional patterns of organisation.

93. The second and third of these effects usually lag behind the first. This is certainly true of the application of management science and technology in government. There are quite a number of places where routine computer applications are replacing "men with shovels" by "men with bulldozers". But in very few places is the full potential of the new techniques yet being used to do things and solve problems which previously could not be done or solved at

all; and it would be difficult to find an instance yet of a major organisational change which was primarily due to the adoption of modern techniques for handling the work. Thus the full impact of the new techniques has hardly yet begun to be felt.

The System Concept

94. The concept underlying modern management techniques is a very simple one. It is that an organisation is a system¹ for achieving certain objectives; that the objectives can be defined and the extent of their achievement can be assessed; and that the working of the system, and its structure, can be changed so as to improve its performance.

95. What goes into a system (input) is converted into what comes out of it (output). If what comes out is what one wants, then one is achieving one's objectives and that is very satisfactory. If it is not, then one tries to alter what is put into the system, or the way the system is operating, or the way the system is constructed, so as to produce a more satisfactory output. If possible, one wants to know what alterations will have what effects, before making them. For this reason it is useful to have studied the behaviour of the system, and even to have experimented with it (or with models of it).

96. We can measure the performance of a system, then; we can study its behaviour; we can control its operation; and we can design (or redesign) and plan its structure. These are precisely the things we have to do when we are managing any kind of enterprise: plan it, control it, measure its performance, and study its behaviour. Management techniques are techniques which enable us to plan and control our enterprise, measure its performance, and study its behaviour.

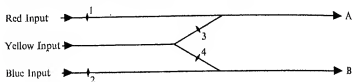
97. A system may be self-controlling. In other words it may contain a mechanism (or sub-system) for assessing its own performance and for altering its mode of operation accordingly. The mechanical governor is a simple feed-back device of this kind.

98. A system may also be self-adapting or self-organising. It may contain a mechanism for assessing the success or failure with which it is achieving its objectives and for altering its structure accordingly. Social systems—economic, political, administrative, and business systems, for example—are self-organising systems, though their self-organising mechanisms are sometimes crude and unconscious (and sometimes ineffective). As their objectives change, or as their performance declines, a process takes place within them that leads to changes in their mode of operation and their structure. As this process becomes more deliberate and conscious, we can begin to talk of a system planning its own future development.

99. Processing information and making decisions are vital elements in planning and controlling the operations of a system. Consider a very simple example.

¹ "System: A set or assemblage of things connected, associated, or interdependent, so as to form a complex unity." (*The Shorter Oxford English Dictionary*.)

100. Imagine a network of pipes through which fluids flow. It has three inflow pipes, into one of which a Red fluid, another a Yellow fluid and the last, a Blue fluid, are pumped in. It has two outlet pipes, one serving recipient A and the other recipient B. The system looks like this:



The points marked 1, 2, 3, 4 are valves, which can be fully open, fully closed or at any intermediate, partly open, partly closed, position.

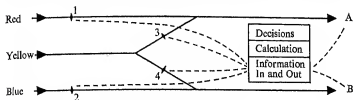
101. This system works as follows:

- (a) (i) If A asks for Red, valve 1 must be opened and valve 3 must be closed.
- (ii) If A asks for Yellow, valve 3 must be opened and valve 1 must be closed.
- (iii) If A asks for Orange, valves 1 and 3 must both be opened to the extent that will give the required shade, i.e. the required mixture of Red and Yellow.
- (b) (i) If B asks for Blue, valve 2 must be opened and valve 4 must be closed.
- (ii) If B asks for Yellow, valve 4 must be opened and valve 2 must be closed.
- (iii) If B asks for Green, valves 2 and 4 must both be opened to the extent that will give the required shade, i.e. the required mixture of Blue and Yellow.

102. It is immediately obvious that information must flow between A and valves 1 and 3, and between B and valves 2 and 4, since A's requests determine the correct position of valves 1 and 3 and B's requests determine the correct position of valves 2 and 4. Calculation will also be necessary somewhere on the line of communication between the recipients and the valves, in order to determine the precise position of the valves required to produce a particular shade of Orange or Green at A or B.

103. Consider now A's requests and B's requests together. There are some things that both cannot have at the same time. Both cannot have a full flow of Yellow at once, assuming that the piping has the same capacity throughout. If A is having a very yellow Orange, B cannot have a very yellow Green. When incompatible demands of this kind come in, a decision is needed: which shall be satisfied and which shall not? Should each be partly satisfied? If so, in what proportions? Even in as simple a situation as this, there are quite a few options to choose from. Somewhere in the system there must be a point to which

the relevant information will be sent, which will process the information and establish what options are open, which will decide between them, and which, having made the decision, will send instructions to carry it out. Thus, instead of looking like the figure in paragraph 100, the system will now look something like this, with the dotted lines representing channels of information.



An information-handling and decision-making network is beginning to take shape.

104. Sometimes it may be possible to define comprehensively all the possible circumstances which can present themselves to a decision-making system of this kind, and to lay down in advance what decision shall be taken in each. In such a case it is possible to "program" the control mechanism so that it takes the appropriate decisions automatically. This is what is being done when a computer is programmed.

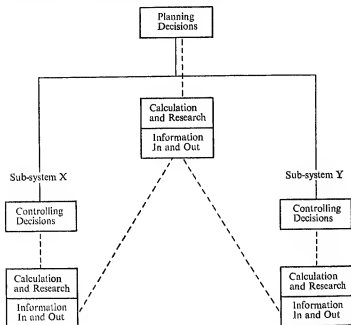
105. If A and B continue to ask for Yellow simultaneously (i.e. continue to make demands on the system which it cannot meet), it may become necessary to alter the system. It might be possible to double the capacity of the Yellow inflow pipe to the point where it divides. Alternatively, it might be possible to discontinue either the Red or the Blue inflow and replace it with a second Yellow inflow. Thus the system needs not just a controlling function to take decisions on how it should operate in the short term, but also a planning function to take decisions about its future shape.

106. The planning function needs some but not all of the information needed for the controlling function. It needs to know about the demands being made on the system over a period of time, the extent to which they are being met, and the way the system is currently capable of operating. But the planning function also needs other information: about the penalties and benefits which would attach to making various changes in the structure of the system, i.e. information, based on study and experiment, about how the system would operate if it were different. Thus, in the box in paragraph 103, Research as well as Calculation is required.

107. Most systems are, however, sub-systems of a larger system. In our example, there will be another system for bringing the Red, Yellow and Blue fluids to the inflow points of the system we have been discussing. The two systems together are thus sub-systems of a system which comprises them both. Now it would clearly be pointless to double the capacity of the Yellow inflow pipe in our system if the adjoining system was incapable of supplying it with a double quantity of Yellow. Thus, to generalise, decisions about structural

changes in a sub-system affect and are affected by other parts of the system to which it belongs. Such decisions—planning decisions—must, therefore, be taken at a level which is responsible for all the sub-systems which will be affected, i.e. at a higher level than that responsible for controlling the day to day operations of each of the sub-systems. The logical procedure is for a sub-system to work out alternative proposals for structural change and submit them to the higher level for decision; and for the decision at the higher level to be based on calculations of the effect of the proposals, not only on the particular sub-system initiating them but on the other affected sub-systems too.

108. Thus, our information-handling and decision-making network is now beginning to assume the following shape.



A structure on the lines of that shown in paragraph 18 is beginning to emerge.

109. In practice, the rule stated in paragraph 107, that planning proposals should be referred to a higher level for decision than that at which control of day to day operations is exercised, is widely followed. For example, subsidiary companies submit capital investment proposals to the parent board. But it should also be noted that the distinction between planning the structure and controlling the operations of a system is a relative one, like the distinction

between policy-making and administration (see paragraph 17). My superior takes planning decisions about the system whose operations I control; and in controlling my system I take planning decisions about the sub-systems whose operations my subordinates control. To put it another way, what may be capital investment decisions for me, e.g. whether or not to buy a new lorry, may be decisions about recurrent expenditure for my superior. Which brings us to the subject of management accounting.

Management Accounting

110. The principles of management accounting are closely related to the system concept. Basically they are as follows. The resources used, or the input, are measured in terms of cost. Achievements, or output, are measured in terms of benefit or revenue. The difference between input costs and output value is described as net return, and the efficiency or productivity of one system as compared with another, is measured by comparing their rates of return. This calculus is only applicable where input costs and output values can be measured and compared. A major aspect, therefore, of the modern approach to accounting is the development of new and better techniques for costing input and valuing output, and for analysing total input costs and total output values to show how much each aspect of an organisation's activity, past present and future, is costing and how much it is worth.

111. The development of this approach is clearly illustrated in the recent history of the accounting profession. In the mid-nineteenth century the main emphasis was on the formation and liquidation of companies; accountants were chiefly concerned with the ownership of assets. In the late nineteenth and early twentieth century increasing emphasis was placed on the detection and prevention of fraud; accountants became more concerned with audit. After the First World War taxation became more important; accountants in commerce and industry were employed increasingly to minimise the tax burden. But since the Second World War more and more emphasis has been placed on management; accountants have been developing techniques of measurement to assist planning and control. Today, management accounting is concerned with measuring and controlling the flow of resources, expressed in financial terms, through each part of an administrative or business system and through the system as a whole.

112. Financial work in government has recently shown a tendency to move in the same direction. All the current talk about output costing, cost/benefit analysis, and cost/effectiveness is a symptom of this. But, as we have seen, the great obstacle to progress here is the tradition of detailed day to day intervention based on the nineteenth-century arrangements for securing accountability to Parliament, and the methods of audit which these arrangements impose.

Information-Processing and Decision-Making

113. Government is the mechanism by which society controls itself and plans its future, in accordance with whatever degree of control and planning society has decided, by the processes of politics, that it wishes to adopt. Some people

say they want very little control and planning, others that they want a lot. Which-ever view prevails, government is the instrument which will be used. That is what government is for.

114. The main business of government, as of any control system, is to process information and take decisions. Since, in a modern society, the information to be processed is so voluminous and the decisions to be taken are so complex, the business cannot be carried out efficiently except by using modern technology—information and decision technology—to the full.

115. Section II outlined how the system for processing government information and taking government decisions has evolved over the last hundred years. It described how an increasing number of separate government authorities has continually proliferated, each responsible for processing information and taking decisions in its own field; and how the task of co-ordination—of reconciling inconsistencies and conflicts—between these authorities has continually grown. For reasons which are explained in greater detail in paragraphs 126 and following below, one of the most important prospects which modern technology unfolds is the use of integrated systems of information-processing and decision-making which will eliminate much of the need for, and many of the problems caused by, the highly fragmented organisation of today.

116. Integration can take two forms—vertical and horizontal. Vertical integration in this context refers to the adoption of a single set of arrangements for performing a number of different actions hitherto performed separately on a given field of information. These include recording individual transactions or measurements, bringing the relevant collection of statistical information up to date, analysing it, providing answers to enquiries about it, carrying out calculations on it, and taking decisions as a result of these calculations. Horizontal integration refers to the adoption of a single set of arrangements for handling what have hitherto been handled as separate fields of information. For example, if arrangements are introduced by which payments of social benefits are made in a way which at the same time automatically builds up a consolidated record of all the payments made during a given period, that is an instance of vertical integration. Whereas, if arrangements are introduced for handling the individual citizen's entitlements to social benefits together with his liabilities to tax through a single account between him and the State, that is an instance of horizontal integration.

117. There is an analogy here with industrial integration. In that context vertical integration refers to the merger in a single organisation of different activities relating to a given range of products—activities such as materials supply, component manufacture, production, distribution, wholesaling and retailing; while horizontal integration refers to the merger in a single organisation of activities relating to what have hitherto been handled as separate ranges of products. Since the proliferation of authorities in government has been both vertical and horizontal (see, for example, paragraphs 22 and 23), both types of integration are closely relevant to future developments in the structure of government.

Decision-Making Techniques

118. To make a decision is to choose a particular course of action out of the whole range of possibilities which exist. Therefore, in making a decision one wants to know what options are open and what the implications of each are likely to be. The question is not "Shall we do this or not?" but "Shall we do this, or that, or the other?" This is the point the Plowden Committee was making about financial decision-making (see paragraph 73 above).

119. In choosing a particular course of action a number of approaches are possible.

- (a) The decision-maker may be content to choose a course which is feasible, i.e. not self-defeating. This is not always easy in conditions of complexity; many government decisions are infeasible in that they attempt to achieve what clearer analysis would show to be incompatible objectives.
- (b) Sometimes the decision-maker tries to be a little more ambitious. He tries to select a course of action which is not only feasible but is also acceptable according to certain criteria of value. Investment decisions are often of this kind.
- (c) Sometimes he is trying to take a decision which will improve current performance, according to certain criteria of value.
- (d) Sometimes he tries to go even further. He tries to select a course of action which is not just feasible, acceptable, or better than the present course but is better than all the other possible courses, according to certain criteria of value. Decisions which attempt to maximise return or minimise costs are decisions of this kind.
- (e) Finally, there are some circumstances in which he has to try to select the course of action which is correct, i.e. which uniquely fits the situation. Decisions on the interpretation of rules are decisions of this kind. For example, what is the tax liability of a certain individual with certain characteristics in a certain set of circumstances? That is a question requiring a decision which, if things were as they should be, would either be correct or incorrect.

120. Decision-making techniques are concerned with helping to identify the correct course, the best course, an improved course, an acceptable course, or a feasible course of action, as circumstances may require, out of all the options which present themselves. This is the purpose of the logical and quantitative decision-making techniques which fall under such headings as operational research, investment appraisal, and cost/benefit analysis. There is no magic about these techniques; they are simply aids, in conditions of complexity and uncertainty, to identifying that course of action which will best enable one to achieve the objective one has adopted, according to the criteria one has laid down, within the constraints of the situation in which one happens to be.

121. In an organisation of any size, the logical and mathematical calculations involved in using these techniques as aids to decision-making are usually so complex that, if the results are to be available quickly enough to be useful, they

have to be carried out by computers. But the role of the computer is a limited one. It cannot originate the objectives which a course of action is required to achieve; it cannot lay down the values according to which one course of action will be found to be preferable to another; and it cannot define the constraints which, in the real world, divide what is feasible from what is not. These are tasks for men. The computer's task is simply to reduce the area of uncertainty in which human judgment has to operate; to reduce the amount of human work at present required merely to trace out the implication of adopting one course of action rather than another; to do that type of work better than unaided human brains can do it.

Research and Development

122. It is now becoming recognised that the performance and behaviour of administrative and business systems can be studied in the sort of way that natural scientists study physical, chemical and biological systems. However, it is difficult to experiment with actual administrative or business systems, as natural scientists experiment with physical, chemical and biological systems. So the management scientist builds mathematical models which simulate the behaviour of these systems, and the manner in which they convert input into output; he then experiments with the models to see what happens if this or that aspect of them is changed in various ways. The term "operational research" covers experimental techniques of this kind, as well as decision-making techniques of the kind mentioned in paragraph 120.

123. There is no doubt that over the next five, ten or twenty years research and development work on the organisation and procedures of government at all levels will have to be greatly stepped up. The emphasis of this work is likely to shift from what is now regarded as "economic" research to the management (including behavioural) sciences. Indeed, economic research in government will almost certainly come to be regarded as one aspect of a more general field of study—namely management science. Most of the calculations involved in this work will be of a complexity which will require computers. But again computers cannot originate or define the problems. Nor can they lay down the methods for their solution. These are things that men must do.

The Use of Computers

124. It is worth stressing that the full potential of information and decision technology can be developed only by using computers. This is because, where the problems of large and complex organisations are concerned, only computers can undertake calculations of the necessary scale and complexity quickly enough to provide results in time to be used as the basis for further action. But the computer is only a tool, to be used for the purposes which human minds define for it. What information it will process and with what results, and what action it will set in train automatically, depends wholly on what men have arranged for it to do.

125. If computers are to be used properly, therefore, those in charge of an enterprise must ask themselves the following questions:

- (a) What objectives are we trying to achieve?

- (b) In planning and controlling our enterprise to achieve these objectives what decisions do we have to take?
- (c) How are these decisions interrelated?
- (d) Which of these decisions can be "programmed", so that they are taken automatically?
- (e) What information is needed by whom, where, and when as a basis for taking decisions (and in order to meet our responsibilities for supplying information to the public)?
- (f) How can we best design a system for collecting, compiling, analysing and providing the information needed for these purposes?

Only when these questions have been asked and answered is it possible to consider how best the enterprise should use computers. The answers to these questions will also, of course, go far towards defining how the enterprise should be organised; they are closely related to the systems approach described in paragraphs 94-109.

Current Developments in Computer Technology

126. The answer to the last question posed in the previous paragraph will depend on what is technically possible. Anyone who is considering the future of an organisation such as the Civil Service, whose primary business is to handle information and take decisions, must therefore take account of current developments in computer technology. Bearing in mind that government is a country-wide organisation of national and regional headquarters and local offices, each of which has decisions to take and between which information must flow, he has to consider what limitations have hitherto been imposed by the existing state of computer technology on the application of advanced techniques for taking decisions and handling information, and the extent to which these limitations are now being removed by current developments in the technology.

127. Most computers in use at present have the following features:

- (a) Files are usually held (in other words, information is usually stored) on cards or magnetic tape. This means that the information has to be handled sequentially, by going through the file until the relevant item is reached. This means in turn that
 - (i) random access (in other words, access to some particular item in the file) is relatively slow;
 - (ii) bringing up to date ("up-dating") particular items of information is also relatively slow; and
 - (iii) the amount of information that can be stored in such a way as to be immediately available is strictly limited.
- (b) The user of the information held in the computer has to make access to it via the operator; he cannot enjoy direct access to it. This means that to make enquiries about the information which is actually in the computer is relatively difficult and slow. In practice, therefore, the

129. The results of these developments can be summarised as follows:

- (a) A very great deal of information can now be stored on a computer, and can be accessed directly by the individual user at the time when he needs it. The response can be at least as fast as by traditional methods of obtaining information (reference to paper filing systems, printed tables, or already existing print-out from a computer).
- (b) A number of sources of information can be feeding into the system continuously and simultaneously. This means that files can be kept constantly up to date, and that the load of work involved in up-dating is spread (instead of being carried out by "batch processing" at predetermined intervals).
- (c) Information in textual form can now be conveniently handled on a computer.
- (d) Regional or local offices can participate in the same computer system as their central office (using transmission along telephone/telex lines), and can have immediate access to it for input/output purposes.
- (e) The same system can now be used for handling individual transactions, for recording information about them, and for analysing this information scientifically.

130. There are a number of technical problems in developing multi-access systems: how to ensure that confidential files will not be accessed by unauthorised users; how to ensure that files cannot be deliberately or accidentally destroyed; how to give simultaneous multiple access together with a very fast response time—these are some examples. But none of these is insuperable. Technical progress in this field is now very fast. With the developments currently taking place in the software, hardware and transmission aspects of multi-access systems, it should be possible to begin the design of a system for a specific application now and to bring it into full operation about 1970.

each individual item becomes out of date the whole file at pre-determined intervals of production work have to be taken out of information.

to containing numerical information being too bulky for the storage

entity of the information handled by of different ways in which this has been restricted. This has meant the Board of Trade, the Ministry of Technology, the Department of Economic Affairs, the Ministry of Aviation, the Ministry of Power, and the Central to have their own separate systems to have in their own particular aspects of performance.

applications have tended to divide for commercial data-processing stock control, involving a large number of separate transactions number of separate transactions involved are very complex. powerful input/output facilities processing unit. The second, now "inchmen", have had a very powerful high powered input/output facilities.

making place in computer technology.

make it practical to think in terms of information—over 1,000,000,000 information being directly

are now being developed, which can be used by a number of different users, many of which are only suitable for scientific purposes. Computers are now becoming available in a wide range of sizes and powerful processing

to set up, in the not far distant future, large, integrated information-handling systems to support the planning, controlling and operating functions in large business and administrative organisations. It will soon be possible to establish country-wide systems for handling individual transactions at local offices and out stations, for recording them and transmitting them to a central record, for keeping this record continually up to date, for analysing it, and for making complex calculations about it, either as a basis for decision-making or in the course of research and development studies. The potential uses of systems of this kind for government work are widespread.

user has to rely on printouts made at regular intervals. The information available is thus always somewhat out of date. Moreover, it is in a form which may not suit the precise purpose for which the user would like to use it on that particular occasion.

- (c) The same applies to up-dating the information held in the computer. Up-dating cannot easily be done as each individual item becomes out of date. It is therefore necessary to update the whole file at pre-determined intervals. In short, set routines of production work have to be adopted both for putting in and for taking out information.
- (d) At present, files are usually restricted to containing numerical information, information in textual form being too bulky for the storage devices currently used.
- (e) Owing to storage limitations, the quantity of the information handled by a single computer, and the variety of different ways in which this information can be analysed, has been restricted. This has meant that different users—for example, the Board of Trade, the Ministry of Labour, The Ministry of Technology, the Department of Economic Affairs, the Ministry of Agriculture, the Ministry of Aviation, the Ministry of Public Building and Works, the Ministry of Power, and the Central Statistical Office—have hitherto had to have their own separate systems for collecting and compiling statistics in their own particular aspects of the country's industrial and economic performance.
- (f) Hitherto, computers and computer applications have tended to divide into two different types: those used for commercial data-processing work, such as pay-roll, invoicing and stock control, involving a large number of transactions and relatively simple calculations; and those used for scientific work, where the number of separate transactions is relatively small but the calculations involved are very complex. Computers of the first type have had powerful input/output facilities with a less high-powered central processing unit. The second, now coming to be known as "number crunchers", have had a very powerful central processing unit with less high powered input/output facilities.

128. Four main developments have been taking place in computer technology.

- (a) Random-access storage devices now make it practical to think in terms of extremely large quantities of information—over 1,000,000,000 characters—being directly "on line" (in other words being directly and immediately accessible to the user of the computer).
- (b) Multi-access computer systems are now being developed, which can be used simultaneously by a large number of different users, many of whom may be remote from the computer and linked to it by a line and an input/output terminal.
- (c) The distinction between computers which are only suitable for commercial applications and those which are only suitable for scientific applications is breaking down. Computers are now becoming available with powerful input/output facilities and powerful central processing units.

- (d) Technical advances in input facilities (i.e. for data collection and data scanning) are making it possible to cut down the time and cost involved in preparing data for input, while corresponding advances in output facilities (displays, etc.) are increasing the number of ways in which computer output can be used.

129. The results of these developments can be summarised as follows:

- (a) A very great deal of information can now be stored on a computer, and can be accessed directly by the individual user at the time when he needs it. The response can be at least as fast as by traditional methods of obtaining information (reference to paper filing systems, printed tables, or already existing print-out from a computer).
- (b) A number of sources of information can be feeding into the system continuously and simultaneously. This means that files can be kept constantly up to date, and that the load of work involved in up-dating is spread (instead of being carried out by "batch processing" at pre-determined intervals).
- (c) Information in textual form can now be conveniently handled on a computer.
- (d) Regional or local offices can participate in the same computer system as their central office (using transmission along telephone/telex lines), and can have immediate access to it for input/output purposes.
- (e) The same system can now be used for handling individual transactions, for recording information about them, and for analysing this information scientifically.

130. There are a number of technical problems in developing multi-access systems: how to ensure that confidential files will not be accessed by unauthorised users; how to ensure that files cannot be deliberately or accidentally destroyed; how to give simultaneous multiple access together with a very fast response time—these are some examples. But none of these is insuperable. Technical progress in this field is now very fast. With the developments currently taking place in the software, hardware and transmission aspects of multi-access systems, it should be possible to begin the design of a system for a specific application now and to bring it into full operation about 1970.

131. So the instruments are now being developed which will make it possible to set up, in the not far distant future, large, integrated information-handling systems to support the planning, controlling and operating functions in large business and administrative organisations. It will soon be possible to establish country-wide systems for handling individual transactions at local offices and out stations, for recording them and transmitting them to a central record, for keeping this record continually up to date, for analysing it, and for making complex calculations about it, either as a basis for decision-making or in the course of research and development studies. The potential uses of systems of this kind for government work are widespread.

132. Indeed, the potential applications for computer systems in government far outrun the comparatively pedestrian work for which they have generally been used hitherto. The whole business of compiling financial estimates and accounts could one day be handled through a computer network in which local and regional offices of a Department will be linked to the headquarters, and the headquarters will be linked to the Treasury. The same system could be designed to provide the basis for costing and cost/benefit analysis at every level. A similar network could handle the collection, compilation, and analysis of government statistics. Nation-wide systems of registration, for births, deaths and marriages, etc. based on Somerset House, for company registration based on Bush House, for vehicle registration, for finger-print registration, for land and property registration, in short for registration of any kind will become technically feasible within a few years. A nation-wide system of medical records will become possible thus providing the statistical basis for medical research and for planning the development of the National Health Service, as well as ensuring that every patient's medical record is complete whenever and wherever he presents himself for treatment. Tax assessment and collection could be computerised, like the assessment and payment of social security benefits. Technically, it will become possible for each citizen to have a consolidated account with the State, in which his liabilities—tax, license payments, etc.—and his entitlements—allowances, pensions, benefits, etc.—are consolidated, and which is settled at regular intervals. Ministries like the Ministry of Technology and the Department of Education and Science will set up “banks” of technical and scientific information, connected to remote terminals all over the country. Ministries like Transport and Power will increasingly use computer-based methods of planning and analysis to allocate resources to the nationalised industries. Ministries like Technology and Overseas Development will use them for planning and managing the Research and Development programme or the Aid programme. The information required for planning and managing the economy and for taking decisions on fiscal policy, monetary policy, industrial policy, employment policy, regional development policy, prices and incomes policy, etc., etc., will increasingly be handled by computers. Indeed, one may confidently say that, to an extent which is only beginning to be recognised, every Ministry will come to use computers, and the scientific techniques which can be based upon them, in the planning, control and every day operations of their business, and in the research and development work which will more and more become an intrinsic part of that business.

Impact on the Work of the Government

133. In broad terms, then, it is not difficult to see the kind of impact which the new techniques of management, and in particular of information-processing and decision-making, will have on the work of the government, and on the way government is organised and staffed. It can be summarised as follows.

- (a) In thinking about the work of government, and in analysing how it should be performed, we shall have to revert to the traditional concept shown schematically in paragraph 18, where the function of making decisions is distinguished from the supporting function of processing the information relevant to them, and where different responsibilities for making decisions are clearly defined—horizontally and vertically—in relation to one another.

- (b) Moreover, it will become feasible to contemplate a greater degree of separation between the parts of the organisation which provide information and the parts which take decisions, than is generally acceptable today. One can, for example, envisage the Central Statistical Office developing into an "information utility", providing a service to the Ministries and to the public.¹
- (c) The whole structure of government, from the Cabinet down to the humblest local authority, is likely to grow into a more and more closely integrated system. This does not mean that decision-making will become more and more centralised. Quite the reverse. It means that the relationship—the "interface"—between the various parts of the system will become more and more clearly defined, and the flow of information between them better and better organised.
- (d) The use of modern equipment for processing and communicating information in government is likely to develop more and more rapidly. From now on, information will more and more tend to be handled by computer and to be transmitted directly from one computer to another, by data link. The 1970's will almost certainly see the emergence of an inter-linked network of computers supporting the structure of government.
- (e) A growing function of the organisation supporting each decision-making point will be to measure the performance of that part of the system for which it is responsible. This measurement will have a double purpose. First, it will be required for planning and control, i.e. as information on which to base decisions; and secondly, it will be required as a basis for research and development—for building models, for example, and experimenting with the effects of making changes in them.
- (f) The decisions made at each decision-making point will tend increasingly to be decisions, not about the day to day operations of subordinate authorities, but about the framework of objectives, criteria and constraints (including financial constraints) within which subordinate authorities shall be free, and fully responsible, to operate as they decide. Conversely, in seeking such decisions from a superior authority, subordinate authorities will tend increasingly to present the full range of options that are open, together with an account of the implications of each.
- (g) Finally, developments on these lines are going to alter radically the nature of the work done in Whitehall, in National Boards and in other parts of government. Much of the information now processed by small armies of committee men and their supporting clerks and secretaries will be handled more efficiently and expeditiously by computers; and much of the information which is now communicated by people writing letters, sending telegrams and making telephone calls between one government authority and another will be transmitted by data-link,

¹ The recent report of the "Estimates Committee on Government Statistical Services" is very relevant here.

output from one computer being the input for another. This means that many of the staff now employed in "middle management" and in clerical work will eventually be replaced by a smaller number of systems analysts and programmers.

134. How quickly changes like these will take place and how far they will ultimately go, no one can foresee. But that they are going to take place, and that their impact is going to be felt soon, is certain.

V. THE FUTURE PATTERN OF BRITISH GOVERNMENT AND THE ROLE OF THE CIVIL SERVICE

"The moment of truth experienced by the creative individual is paralleled on the collective plane by the emergence, out of the scattered fragments, of a new synthesis."

Arthur Koestler; *The Act of Creation*.

Introductory

135. The purpose of this section is to consider the role of the Civil Service in the future pattern of government which seems likely to develop. This pattern will evolve out of the past (see Section II) and from the need to solve the problems of the present (see Section III), and it will be determined to a considerable extent by the impact of the new techniques of management (see Section IV).

Principles

136. The following principles derive from the three preceding sections.

- (a) There should be a smaller number of government authorities than now exist. To reduce the present fragmentation, a process of unification should take place.
- (b) There should be a clearer definition of responsibilities between different authorities than now exists. This demands a clearer definition of objectives at the highest level than Ministers have recently been able to achieve.
- (c) Responsibilities should be decentralised to a greater degree than at present. Central decisions must continue to be taken centrally; but decisions which concern a particular area of the country or a particular function of government should, as far as possible, be delegated to the geographical or functional authority concerned. Purely regional or local decisions on environmental planning and traffic patterns within a particular area should, for example, be the responsibility of the regional or local authority concerned, and decisions on running the railways should be the responsibility of the Railways Board—in both cases within a framework of policy objectives and constraints clearly laid down by central government.
- (d) Responsibility for making decisions should be distinguished from responsibility for providing information and advice to the decision-makers. In other words the traditional distinction between the executive

or managerial function and the secretariat or staff function needs to be restored. Apart from the various other arguments for this which have already been mentioned, the role of secretary is incompatible with the role of director-general. Moreover, the qualities required of a good secretariat officer, however eminent, are not the same as the qualities required of a good director-general.

- (e) The relationship between a decision-maker and his secretariat and advisory staff must remain confidential, but the definition of responsibilities between different decision-making authorities should be public. For example, in the instances at (c) above, the objectives and constraints laid down by central government should be public knowledge.
- (f) Greater decentralisation of responsibility and clearer definition of responsibility should (and will, indeed, automatically) be accompanied by a limitation of the area in which the inhibitions of political confidentiality apply. For these inhibitions apply only to transactions between Ministers and their own secretariat and advisory staffs. In practice, it may be expected that the heads of public corporations will engage in confidential exchanges with their Minister from time to time and, in such fields as defence, considerations other than political confidentiality will continue to make for a measure of secrecy. But this need not detract from the principle that, in general, public servants responsible for the managerial functions of government should be given the opportunity to discharge these functions within a framework of objectives and constraints clearly and publicly laid down by Ministers.
- (g) Greater decentralisation of work from Ministries to executive agencies of government and the emergence of this work from the shroud of political confidentiality will effect a change in the relationship between Members of Parliament and those responsible for handling the work concerned. This should encourage Parliament to concentrate on the objectives which the executive agencies of government should pursue, the success or failure with which they attain these objectives, and the framework of constraints within which they shall be required to work.
- (h) Decentralisation, and the change in Parliament's role, should also make it easier to reform the existing system of financial control and accounting, and to adopt the principles of management accounting for the managerial tasks for government. This raises a number of difficult questions, which are discussed in paragraphs 147 to 152 below.
- (i) Staffs whose functions are largely self-generating (whose job, in other words, is mainly to process information for one another, to argue with one another, and to frustrate one another's work), and whose effective output (in terms of the impact of their efforts on the outside world) is therefore negligible, will become increasingly redundant as responsibilities become more unified, decentralised, and clearly defined, and as greater use is made of new techniques. It will be possible to redeploy these staffs, which will be both in the national interest and in their own.
- (j) The self-organising function in government will have to become more positive, more conscious, and more deliberate than hitherto. In other

words, some central authority will be needed to see that government responds more rapidly and consciously than in the past to new tasks posed by technological, economic, social and political changes, and to control the continuing process of structural change which this will involve.

- (k) Government as a whole, and in each of its parts, will have to develop more positively than hitherto the use of modern management techniques. It must also recognise the capabilities which these techniques offer for handling information and making decisions, at the highest as well as the lowest levels. The approach and attitudes underlying these techniques, together with recognition that research and development has a major part to play in the conduct of government work, will themselves contribute greatly to the application of the principles already stated.

137. There is little in these principles which many people will find repugnant. Indeed some of them are already reflected in developments in the structure and methods of government which have been taking place over the last two or three decades. What is now required, however, is to adopt them consciously as the basis for a systematic reform of the structure of government and its methods of work.

138. There are four different types of organisation in the structure of British government (see paragraph 41):

- (a) The Whitehall Ministries, headed by Ministers and co-ordinated by the Cabinet system.
- (b) Bodies, including Commissions, Departments, Board and Corporations—such as Inland Revenue, Monopolies Commission, Bank of England, National Board for Prices and Incomes, and the B.B.C.—which provide services or discharge functions on a national scale and are responsible to a Minister but not under the direct control of his Ministry.
- (c) Regional bodies, including Scottish and Northern Ireland Departments, the Welsh Office, and Regional Councils and Boards.
- (d) Local Authorities.

The need is to redefine the functions of these four types of authority and the relationships between them, to organise them and staff them, and to see that their work is controlled and managed, in accordance with the principles listed in paragraph 136.

Central Government

139. The aim should be to reduce the twenty-odd Whitehall Ministries that now exist to ten or a dozen. The argument against any such reduction has always been that it would be impossible for a single Minister and a single Permanent Secretary to manage Ministries of the size which such a reduction would imply. In the past this argument has had a good deal of force. When the work of Whitehall could be divided into a number of more or less self-contained

compartments, the Ministry was naturally regarded as the basic organisational unit; in other words it was more important for each Ministry to be efficiently organised and for its work to be efficiently managed than it was for the Cabinet to be efficiently organised and for its work to be efficiently managed. Moreover, in the past it has seemed difficult to secure the necessary delegation of work from the Ministries which would make it possible for each Ministry to span a wider sphere of responsibility. Finally, it is only recently that management technology has developed to the point where really large, integrated organisations can be successfully managed. But today the balance of argument is swinging in favour of a smaller number of more powerful Ministries. We have now reached the stage where the government as a whole has to be managed efficiently, as a complex unity; and this is impossible with the present number of Ministries. Delegation of work out of Whitehall is becoming recognised to be necessary. And developments in management technology are making it possible, like technological advance in any field, for the same number of men to handle a larger job of work than by traditional methods.

140. The Appendix shows how the functions for which Whitehall is responsible today could be reallocated among eleven Ministries. Arguments can, of course, be brought against this suggested reallocation of responsibilities. They could also be brought against any alternative suggestion that might be made. There can never be a "correct" solution to problems of organisation at the highest level. All that one can try to do is to improve the arrangements that already exist, in what appears to be the most rational way. There can be no doubt that the arrangements suggested in the Appendix would be a marked improvement on those that exist today.

141. This is not, of course, to say that the division of responsibilities set out in the Appendix could be permanent. As circumstances change the organisation best suited to handle them must change too. For example, if Britain joins the European Economic Community this will obviously make a big difference to the demarcation between external affairs and other government functions. The system henceforth must be capable of reorganising itself more responsively than hitherto, to cope with changes of this kind. The proposed Prime Minister's Department, served by the agencies it would direct (see Appendix), will carry the major responsibility for this task of self-organisation.

National Boards, etc.

142. Unification of Ministries on the lines suggested presupposes that much of the work now handled in Whitehall will be decentralised out of the Ministries. In any case, this is very desirable for its own sake (see paragraph 136 (c)).

143. Some of the work for which Ministries are at present responsible can be delegated to National Boards, Corporations and Commissions, like the nationalised industries, the National Board for Prices and Incomes, the National Economic Development Office, and so on and so forth. For example, the professional task of administering and managing Civil Service personnel could be delegated to an enlarged Civil Service Commission, which might develop into a Public

Service Commission (see paragraph 58). The professional task of collecting, analysing and sifting estimates and accounts of public expenditure could be delegated to an agency corresponding to the U.S. Bureau of the Budget. Responsibility for managing the country's industrial research and development programme could be delegated to a national Corporation for Industrial Technology, responsibility for industrial conciliation to an Industrial Conciliation Commission, responsibility for the overseas-aid programme to an agency reporting to the Ministry of External Affairs, and so forth, just as responsibility for allocating government money to the universities is delegated to the University Grants Committee. In each of these cases the task of the National Board, Commission, etc., would be clearly and publicly defined. The Board would be fully responsible for discharging its task in accordance with its defined remit, and it would publish full and regular accounts of its performance.

144. A Board, etc., would assist the Minister to whom it reports to formulate future policy in respect to its operations, by presenting his Ministry with a number of possible courses from which to choose. Thus the Public Expenditure Board (corresponding to the U.S. Bureau of the Budget) would present the Chancellor of the Exchequer (or Minister of Economic and Financial Affairs) with a statement each year: showing, for example, that, if total public expenditure for the following year is to be X thousand million pounds, it would be possible to allocate this among the various spending authorities in this way, that way or the other way; setting out the implications of adopting one or another of those courses; and showing that, if the various spending authorities were to be allocated £A, £B, £C, £D, etc., respectively, then total public expenditure would not come to X but to X+Y thousand million pounds. This would be a detailed statement, compiled by the Public Expenditure Board from estimates provided by the Ministries, of the various options which were open and of the implications of choosing any one of them. A similar statement would be prepared by the Taxation Board (the two existing taxation departments will presumably be unified sooner or later), setting out the various options and their implications, both in respect of the total sum of taxes to be raised and in respect of the breakdown between different types of taxation.

145. These statements and those like them prepared by other similar agencies would serve two purposes. First, they would be published so that, to the limit of what is technically and professionally possible to evaluate, we can all know what the feasible options are and what each of them implies. Secondly, they would provide the Ministry (of Economic and Financial Affairs in this case) with the material from which to construct a comprehensive statement for their Minister, setting out the options for the Budget as a whole, as a basis for political decisions by the Government.

146. The object of arrangements of this kind would be to push out of the Ministries all work which is primarily of a professional, technological and non-political character and to bring it into the public light of day. This will provide the professional and managerial people concerned with a disciplined environment to work in. It will also mean that Ministers cannot so easily escape notice as they can today, if they shirk the task of political decision-making which it is their function to perform.

Accountability of National Boards, etc.

147. The problem of how and to whom National Boards and Corporations should be accountable has always been a difficult one, even in the case of the traditional nationalised industries. It has four aspects.

- (a) How shall the work of the servants of these Boards be audited as a safeguard against misappropriation of public funds?
- (b) How shall the performance of these Boards be assessed to ensure that they are giving the public good value for the public money they are spending?
- (c) What should be the relationship between these Boards and representatives of the public, in order to ensure that—where the Board should be providing an improved public service—pressure can be brought upon it to do so?
- (d) How shall the relationship between servants of these Boards and the public be controlled, in order to ensure that individual members of the public are not unfairly or arbitrarily treated?

The first of these questions is not a difficult one. Any organisation of any size, in which people are involved in spending money that is not their own, has to be audited. This is a question which professional auditors and accountants can be left to handle. The other three questions are more difficult. This is not the place to go into them in detail. But, because they are central to the way in which—as I see it—the structure of government must now develop, I have to discuss them briefly.

148. The performance of Boards, Corporations, etc., will have to be assessed on the basis of published reports on their activities, showing what they are achieving (their output) in relation to the resources they are using (their input). For Boards, such as those of the nationalised industries, operating in the commercial field, this is not too difficult, at least in principle. They can be given, as at present, a target rate of return on the resources they employ, and can be judged by their success or failure in achieving their target. For other Boards and Corporations, etc., such as the B.B.C., the University Grants Committee, or the proposed Corporation for Industrial Technology, the solution must lie in developing the application of techniques of cost/benefit analysis and other forms of productivity and performance measurement, by which output can be related to input in terms other than profitability. There is, in fact, a great deal of scope for developing the application of such techniques. Moreover—and this now relates to question (c) as well as (b) above—it is in this field that the proposed "specialist" committees of Parliament probably have their most useful part to play. One can envisage such committees, having familiarised themselves with the activities of the Boards, Corporations, etc., in their particular field, bringing pressure to bear upon them to improve their performance and to improve the service they provide, and also bringing pressure to bear upon the Minister concerned to change, as they think desirable, the remit to which the Boards, etc., are working. It would be quite possible for parliamentary committees to perform this function effectively, without interfering in the day to day activities or individual transactions of the Boards.

149. When we turn to the fourth question in paragraph 147, we are in another difficult area. It is surely incontestable that Parliament's main role today should be to hammer out the framework of objectives and constraints within which the Executive shall work. But, as the demand for an Ombudsman showed, there is also a need for more efficient ways of remedying individuals' complaints about their treatment at the hands of public officials. How shall this need be met if Parliament is expected to concentrate more of its attention on the larger issues?

150. The main answer to this question surely lies in improving the processes of legislation and litigation, so that the individual citizen can more easily know his rights and more easily obtain redress if he is wronged. As things are, "the complexity of English law has, by now, reached a degree where the system is not only unknown to the community at large, but unknowable, save to the extent of a few of its departments, even to the professionals."¹ In this, at least, the legal and judicial parts of our system of government resemble the executive. Moreover, upon the laws, made by Parliament or by the judges and administered by the courts, there has been superimposed the system of appeal to administrative tribunals, and now more recently the Parliamentary Commissioner has been appointed too.

151. The fact is that it will not be enough to reform the executive part of our system of government. The legislative and judicial process must also be brought up to date so that the individual citizen can know his rights in relation to public officials and know how to set about securing them if he feels he is being badly treated. Thus it is primarily to the clarification and reform of the legislative and judicial system (in the widest sense of the words) that we must look for a solution to the problem of protecting the citizen from oppression or injustice at the hands of public servants. The Member of Parliament will obviously continue to have a very important part to play in helping individual constituents. But the fact that at present a Member of Parliament is more likely to get a satisfactory response from a Minister about an individual case than from a nationalised corporation or a local authority, does not outweigh the very strong arguments for limiting the range of detailed responsibilities for which Ministers are answerable.

152. It would be idle to pretend that in a few short paragraphs one can dispose of the problems of accountability for the managerial work of government, in circumstances in which Ministers shall no longer be held accountable in detail. But the important thing is to recognise that the traditional form of accountability has now become unworkable, and must be replaced by arrangements which take account of the scale and complexity of government activity today. New forms of accountability must, therefore, somehow be evolved.

Regional Authorities and Local Authorities

153. Some of the work for which Whitehall Ministries are at present responsible will be delegated, not to authorities responsible for providing a particular service or performing a particular function on a nation-wide basis, but to authorities

¹ "Law Reform Now," Ed. Gerald Gardiner and Andrew Martin, Gollancz, 1964, p. 1.

responsible for carrying out a range of functions within a particular geographical area. Except in Scotland and Northern Ireland, and to a lesser extent in Wales, these authorities exist only in embryo as yet at the regional level. But they are probably going to develop.

154. Like the national Boards, etc., the regional authorities should be made clearly responsible for the performance in respect of policy objectives and within policy constraints clearly laid down by national (in other words, central government) authorities; and the regional authorities should contribute to the formulation of these policy objectives and constraints at the national level by stating the various regional options and their implications. These statements should be made public, so that we may all know what the options are, among which Ministers have to make a political choice.

155. Again the problem arises: to whom, and how, should regional authorities be accountable? I do not want to go into this problem here. However, if we develop some form of regional elected government, then obviously the regional authorities will be accountable to the regional electorates.

156. The relationship between the local authorities and the regional authorities of the future is likely to develop into a form analogous to that between the regional authorities and central government. Local authorities will be working within policy constraints formulated by the regional authorities and they will themselves have contributed towards formulating them. Similarly, the definition of responsibilities between regional and local authorities, and the transactions which take place between them in the discharge of these responsibilities, will be made public.

Pattern of Interrelationships

157. The main purpose of the foregoing paragraphs has not so much been to make specific recommendations about the future pattern of British Government, as to focus attention on the sort of questions which have to be answered, and to indicate in general terms the sort of answers which seem likely to be given. Among how many Ministries and into what categories of work should the responsibilities of the Cabinet be divided? What should be the responsibilities of Ministries and what the responsibilities of bodies like the National Boards and Corporations? How should responsibilities be divided between central government authorities, regional authorities and local authorities? How should the regional representatives of central government Ministries or National Boards be related to regional authorities? How should the authority responsible for a certain function of government at central or regional level be related to the authority responsible for it at local level? There is no single set of answers to these questions; the answers for one function will differ from the answers for another—school education from university education for example. There are no permanent answers to these questions either, as we have seen. But the general direction of future development seems reasonably clear. Henceforth, the evolving totality of answers given to these questions at any one time should form a coherent and comprehensible system of government, and some part of the system must be made responsible for seeing that it does.

The Role of the Civil Service

158. We are now in a position to postulate the sort of organisational environment in which the Civil Servants of the future will have to work.

- (a) There will be fewer Ministries, than there are today, each with a wider span of responsibility. One of them, the Prime Minister's Department, will be responsible for co-ordinating the work of the Ministries, for managing their personnel and providing supporting facilities and for supervising organisational change, as well as for supervising government information and statistical services.
- (b) The Ministers in charge of the Ministries will all be members of the Cabinet.
- (c) In each Ministry there will be the following types of staff:
 - (i) Members of the Minister's secretariat; private secretaries, committee secretaries, speech writers, letter writers, parliamentary staff, etc. These will be regarded as professionals; and it will be recognised as unreasonable to expect other kinds of professionals—economists, scientists, and so forth—to be more than amateurs in this particular field. The head of the secretariat will be the Minister's Permanent Secretary.
 - (ii) Professional advisers—one or two eminent professional men in the Ministry's particular field, whose personal advice is valuable to the Minister.
 - (iii) Management scientists (this general term including economists, statisticians, and operational research scientists), responsible for studying the activities for which the Ministry is responsible and for research and development on new methods and forms of organisation for handling these activities.
 - (iv) Systems managers, systems analysts, and programmers, responsible for the computer systems and associated information-handling and transmission systems.
 - (v) A staff of clerks considerably smaller than is employed in any Ministry today.
 - (vi) A small staff to maintain office services.
- (d) Each Ministry will be supported by a number of executive agencies of government such as nationalised industries and public Boards and Corporations. The heads (Directors-General) of all the agencies for which a Minister is responsible will form a Minister's Council, just as the Ministers collectively form the Cabinet under the Prime Minister's chairmanship. The staff of a Ministry will support their Minister as chairman of his Council in the same way as the staff of the Prime Minister's Department will support him as chairman of the Cabinet. Among other things, for example, they will be responsible for helping him to plan and control structural change in the executive agencies for which he is responsible.

- (e) The headquarters of each executive agency of government will be staffed on lines similar to those at (c) above. It will perform for the Director-General a function analogous to that which a Ministry will perform for its Minister and the Prime Minister's Department for the Prime Minister.
- (f) Regional authorities will be organised on similar principles to the central government, with a number of departments supported by regional executive agencies in those fields for which regional authorities are given executive responsibility; and local authorities similarly will continue to have departments supported by executive agencies.

159. As we continue to move towards a system of this kind, but more deliberately and consciously than hitherto, what will the role of the Civil Service become? To put it another way, which of the people, in which parts of the system, will be Civil Servants? Where shall we draw the line between Civil Servants and other public servants?

160. There seem to be two possibilities. The first is that people who work in the Ministries, i.e. who work in a close personal relationship with politicians, will be Civil Servants, and that the rest will not. This sounds logical until one remembers that public servants at the local level (and perhaps soon at the regional level) have a similar relationship with elected decision-makers. The second possibility is that in the course of time the distinction between the Civil Service and the rest of the public service will lapse altogether. It is not necessary to decide between these two possibilities yet. It will probably be five or ten years before a decision has to be made. What is needed now is to foresee that the question is coming up, and prepare to answer it intelligently when the time comes.

Possible Misconceptions

161. From past discussions on this subject I know that two objections tend to be raised about the line of argument which has brought us to the conclusions reached in this section. The first is that it constitutes an attack on the Civil Service for not having changed itself in ways which it has no power to do. The second is that it represents an attempt to turn our system of parliamentary democracy into a technocracy. Both these objections are misconceived.

162. First, as I have tried to bring out, the Civil Service has reformed itself in many ways in the last few decades. If these reforms have not been taken as far or as fast as was desirable, this is not surprising, given the circumstances in which leaders of the Service have to work. Moreover, if one considers how professions other than the Civil Service have evolved to meet the demands of the twentieth century—the legal and medical professions, for example—one finds a similar state of affairs to that described in Section III. Indeed, some of these other professions have made less progress than the Civil Service down the road of self-reform. The main theme running through this evidence is that, by itself, the Civil Service cannot travel much further down this road; its problems involve Parliament, the nationalised industries, and government at regional and local level, as well as the Civil Service itself.

163. Secondly, a technocracy is a form of government in which professionals and technical experts take the top decisions. This is not being suggested; precisely the reverse. We have to create a state of affairs in which once again the top decisions are taken by politicians, and in which these political decisions will provide the framework for the professionals and technical men to work in. The pattern of development sketched in this chapter would achieve exactly that.

VI. PROPOSALS

164. Initially, the picture sketched in the previous sections may seem strange to some of those who are in the thick of it. But I believe that as one focuses one's attention upon the longer-term perspective—where have we come from, and where are we going?—the broad lines of future development sketched in the last section become inescapable. How quickly matters will develop in that direction cannot now be foreseen. But that they will do so and should do so seems sure.

165. What, then, does this imply for the shorter term? What action is now required?

166. There is always a temptation to seek a cure for symptoms rather than for the underlying disease. We must be careful, in attempting to deal with undoubted short term problems, not to adopt courses of action which will aggravate our difficulties in the longer term.

167. Some of the things now being done and some of the proposals that have recently been put forward in various quarters may fall into this category.

- (a) For example, if current proposals for reforming Parliament result in Members of Parliament concentrating more of their attention on matters of detailed administration, this might ease some of the short term problems that arise from the decline of Parliament's traditional nineteenth century role. But it would not, I suggest, be helpful in the longer term.
- (b) Again, the continued recruitment of more and more administrative and professional people into Whitehall would no doubt ease some of the short-term difficulties at present being experienced. But for the long term it could prove to be a mistake. The point where more people begin to mean more muddle (see paragraph 88) may already be behind us. Moreover, if many of the "middle management" and clerical staffs are going to become redundant (see paragraph 133(g)) the more of them recruited now the larger the "abolition of office" problem will eventually prove to be. (There may be a lesson to be learnt from the Colonial Service, which in some cases continued to recruit young men to career posts in territories where—as one can now see with the benefit of hindsight—there was going to be no real career for them.)
- (c) Mergers between the administrative and executive classes, and between the senior ranks of the Administrative, Scientific and Professional Classes, might seem helpful in the short term. But if their effect were to

make it more difficult to re-establish the distinction between secretariat work and managerial work, they could be unhelpful in the longer term. Changes in the relationships between the existing classes may very well be desirable. But these changes should reflect, not precede, changes in the organisation of the work.

168. I suggest that a programme of action on the following lines is needed.

- (1) No. 10 Downing Street, the Treasury (management side), and the Cabinet office should be merged in a Prime Minister's Department. This would be supported by the following agencies:

Civil Service Commission
Diplomatic Service Administration Office
Office of Works
H.M. Stationery Office
Central Office of Information
Central Statistical Office

Much of the day-to-day work of Civil Service management now done in the Treasury should be devolved to the Civil Service Commission. In due course the Civil Service Commission should merge with the Diplomatic Service Administration Office and expand into a Public Service Commission (see paragraphs 39, 57, and 58).

This arrangement would imply that the financial side of the Treasury should become part of a Ministry of Economic and Financial Affairs, and that the present responsibilities of the Ministry of Public Building and Works for the building industry should be transferred to a Ministry for Industry (see Appendix).

The first responsibilities of the new Prime Minister's Department should be to implement the proposals at (2) and (3) and (6) to (13) below. Its long-term responsibility will be to perform the self-organising function for the government service as a whole. In the broadest sense it will be responsible for management innovation in government. In order to discharge this responsibility effectively it will have to expand the existing management services group of divisions in the Treasury quite considerably.

- (2) The Whitehall organisation—Cabinet and Ministries—should be reviewed, to establish whether it would indeed be advantageous to reconstruct it on the lines suggested in paragraphs 139 and following, and if so how this reconstruction should be planned and implemented.
- (3) At the same time, the extent to which managerial and professional work could be devolved from the Ministries to National Boards, Corporations, etc., should be examined.
- (4) The Ministry of Regional and Local Government (see Appendix) should supervise the development of a defined and systematic pattern of regional and local authorities.
- (5) The Ministry of Economic and Financial Affairs (see Appendix) should supervise the development of new methods of financial planning, control and accounting for government expenditure. The main

purpose of these should be to allow Ministers, Parliament and the public to understand how the money is being spent and what is being achieved with it, and not to compel them to concentrate their attention and their time on routine administrative detail.

- (6) A massive effort should be made to modernise the technology of government, i.e. the techniques for handling government information and for taking government decisions. This will involve Ministers and senior Civil Servants submitting their objectives and their tasks to logical (including quantitative) analysis so that it will be possible to work out specifically how the techniques and equipment now being developed can best be used.
- (7) A coherent programme of research into the methods and organisation for handling government business, and development of new methods and forms of organisation, should be put in hand. All concerned must come to recognise that our future capacity to govern ourselves will depend on research and development done now. The proposed Prime Minister's Department will carry the primary responsibility for initiating this programme of research and development.
- (8) A more specific approach to training Civil Servants in management techniques should be adopted. There is a tendency at present to teach people in general terms about these techniques and then, sometimes, to send them back to work so organised as to preclude the use of the techniques. In future, it will become increasingly necessary to define the next job an individual (or a group of individuals) is going to do, identify the techniques most relevant to it, and train him (or them) in the specific application of those techniques to that sort of job. Moreover, given the pace of developments in this field it is important that regular re-training should be accepted as an integral part of normal career development. At present it is arguable that those most in need of training, especially in the new techniques, are the older and senior Civil Servants and those in mid-career. Again, the proposed Prime Minister's Department will have to take the lead in this.
- (9) It will be necessary to examine very carefully the problem of recruiting and training management scientists, systems analysts, programmers, and computer operators in the numbers in which government will soon require them. Not the least part of this problem will be the impact which these people will have on the pay structure and career structure of the rest of the Civil Service.
- (10) The arrangements for allowing people to move between the Civil Service, the rest of the public service, and the private sector should be developed further. In principle, all Civil Servants should be allowed to take with them the pension entitlement they have earned, at whatever point and for whatever reason they leave the Service. Safeguards will, however, be necessary against the possibility of abuse.
- (11) The corollary to the principle at (10) is that the government should be able to dispense with the services of people who are incapable of

making a useful contribution to the work. The nineteenth-century circumstances which may have justified perpetual security of tenure in government posts have vanished.

- (12) One of the early tasks of the new Prime Minister's Department, assisted by the Civil Service Commission and the Diplomatic Service Administration office, should be to work out a detailed package of proposals on (10) and (11) above and negotiate it with the Civil Service trade unions and staff associations.
- (13) The administrators of the future should be educated in science and the humanities, not in one or the other. This is because the social sciences, and in particular management science, are breaking down the clear-cut division between science and the humanities which has been accepted for the last two or three hundred years. Future administrators will have to be no less at home in history and politics, and secretariat staff will have to be no less fluent in the use of the written word, than their counterparts today. But they will also need to have been brought to think scientifically about the nature of their work, and to appreciate the uses of management technology.

It follows that graduate recruits to Civil Service posts will, by about 1975 at latest, require a qualification in both an "arts" and a "science" subject. It is not too soon to start preparing for this now. The proposed Prime Minister's Department should take the initiative as soon as possible, in conjunction with the universities and schools.

169. A programme of reform on the lines set out in the preceding paragraph will not be accomplished overnight. Indeed, it will take ten or fifteen years of hard work to break its back. If it is to be well started, the ground must be well prepared. If the Committee consider that the general outlines of the programme are well conceived, I suggest that before reporting they should examine in some depth the feasibility and practical implications of its various parts.

VII. IN CONCLUSION

170. The quotations at the head of Sections II, III, IV and V suggest a parallel between the organisation of knowledge and the organisation of action, and between the way scientific theories and administrative organisations evolve.

171. In an administrative organisation, decisions of wide generality provide the framework for decisions of lesser generality and, ultimately, for individual actions. In systems of organised knowledge, theories of wide generality provide the framework for theories of lesser generality and, ultimately, for individual observations. In both types of system a two-way process is at work. General decisions shape individual actions, and the individual actions which become necessary to meet the needs of current circumstances help to re-shape general decisions. In other words, policy-making and administration interact. Similarly,

scientific theories shape the interpretation of particular observations; and particular observations help to reshape general theories. Theorising and experimentation interact.

172. The process of change in structures of organised action and structures of organised knowledge stems from the need to resolve the contradictions which arise within them. In science, the creative thinker is urged, by this need, to construct simpler, more elegant and more powerful theories which will embrace a wider range of observations and eliminate the inconsistencies between them. The creative administrator has a corresponding role. Names like Robert Morant and William Beveridge come immediately to mind.

173. The accumulation of detailed changes in the structure of British Government in response to new problems which have arisen during the last century—corresponding to the epicycles piled on epicycles of the Ptolemaic system of astronomy in its latter days—has made the system very cumbersome. The conflicts and contradictions within it are now too many for the system to work efficiently. The resulting lack of clarity leaves us powerless to understand and solve the problems which crowd in upon us. But the new technology of information-handling and decision-making—of communication and control—provides the basis for a new synthesis, and thus offers the opportunity to construct a simpler and more powerful system. In order to take this opportunity, however, we have to abandon two of the major premises of the traditional system—the principle of pluralism in government, and the principle that Parliament's main role is to curb and harass the administration.

174. We who stand on the shoulders of the giants of the past can see that we have reached the end of an epoch in the history of British Government. We peer, puzzled and a little afraid, across the threshold of a new one. We know that in this new epoch we shall face problems that men have never faced before: problems about life and death and personal individuality, arising from advances in genetic and medical science; problems of how a community of individual people can best live together in the social and economic environment created by an expanding population in a shrinking world; problems arising from our growing power to understand and control the workings of the human mind; problems arising from our expansion beyond the boundaries of our own planet.

175. We can hope to deal successfully with these new problems and others like them, only if the minds of our political leaders can be freed of many of the basically technological problems which occupy them today. This is why, in reorganising our system of government, we have to delegate the technological functions to be dealt with as far as possible by subordinate agencies. For only thus will the higher decision-making centres be left free to concentrate on the political and moral problems. In their turn, the technologists and the experts, the professionals and the specialists, must delegate as much of their thinking as they can to machines. For only thus will they be able to conserve their own efforts for tasks which the human mind must undertake.

176. That is the context in which the Fulton Committee has been asked to examine the structure, recruitment and management of the Civil Service. My

evidence will have served its purpose if it contributes to the successful accomplishment of the Committee's historic task.

APPENDIX

ALLOCATION OF MINISTERIAL RESPONSIBILITIES AMONG ELEVEN MINISTRIES

1. This Appendix sets out a suggested allocation of Ministerial responsibilities among eleven Ministries. These represent the categories of work into which, at the end of 1966, it seems best to divide the functions of central government in Britain.

2. The proposed Ministries are shown below together with their major functions.

<i>Ministry</i>	<i>Functions</i>
(1) Prime Minister's Department.	<p>This department would be responsible for the functions now carried out by:</p> <p>(a) No. 10 Downing Street.</p> <p>(b) Cabinet Office.</p> <p>(c) Treasury (management side), Civil Service Commission, H.M. Stationery Office, Central Office of Information.</p> <p>(d) Diplomatic Service Administration Office.</p> <p>(e) Ministry of Public Buildings and Works, in respect of providing buildings, accommodation, and furniture to government.</p> <p>This department would be responsible for providing the Prime Minister with support in discharging his central co-ordinating and management responsibilities. In administering it the Prime Minister would probably have to be assisted by another Cabinet Minister, who might be called Chief Secretary.</p>
(2) Regional and Local Government, Environmental Planning and Land Use.	<p>Functions in this sphere at present carried out by:</p> <p>(a) Department of Economic Affairs.</p> <p>(b) Board of Trade.</p>

*Ministry**Functions*

- (c) Ministry of Housing and Local Government.
- (d) Ministry of Land and Natural Resources.
- (e) Scottish Office.
- (f) Welsh Office.

This Ministry would carry general responsibility for the pattern of relationships between central, regional and local levels of government. Functions discharged at regional level would be the responsibility of regional authorities; this Ministry would be the main point of contact in Whitehall for these authorities.

(3) Economic and Financial Affairs.

- (a) Economic planning functions and prices and income policy functions now discharged by Department of Economic Affairs.
- (b) Economic and financial functions (including balance of payments, currency, public expenditure and taxation) now discharged by Treasury.
- (c) Economic and financial functions now discharged by Board of Trade.

(4) Manpower and Employment.

Functions now discharged by the Ministry of Labour, the Department of Education and Science and other Ministries, in respect of manpower policy, employment services and industrial relations.

(5) Industry.

Functions now discharged by the following Ministries in relation to the performance and efficiency of industry, or of specific industries:

- (a) Ministry of Technology.
- (b) Department of Economic Affairs.
- (c) Board of Trade.

*Ministry**Functions*

- (d) Ministry of Agriculture (agricultural industry).
- (e) Ministry of Aviation (aircraft industry).
- (f) Post Office (telecommunications industry).
- (g) Ministry of Public Building and Works (building industry).
- (h) Ministry of Health (pharmaceutical industry).
- (i) Ministry of Power (steel industry).

(6) Power, Transport and Communications.

Functions now discharged by the following Ministries in connection with power, transport and communications undertakings:

- (a) Ministry of Power.
- (b) Ministry of Transport.
- (c) Post Office.
- (d) Board of Trade (shipping and air transport).

(7) Education, Science, the Arts and Sport.

- (a) Functions now discharged by the Department of Education and Science.
- (b) Other amenity functions, such as responsibility for National Parks and for Historic Buildings and Monuments.

(8) Health, Housing and Welfare.

Health, housing, and welfare functions now discharged by the following Ministries:

- (a) Ministry of Health.
- (b) Ministry of Housing and Local Government.
- (c) Ministry of Social Security.
- (d) Ministry of Labour.

*Ministry**Functions*

- | | |
|-----------------------------------|--|
| (9) Law, Public Order and Safety. | Functions at present carried out in this sphere under the following Ministers:
(a) Lord Chancellor.
(b) Home Secretary.
(c) Chancellor of the Exchequer.
(d) Attorney General. |
| (10) External Affairs. | Functions now discharged by
(a) Foreign Office.
(b) Commonwealth Office.
(c) Colonial Office.
(d) Ministry of Overseas Development. |
| (11) Defence. | (a) Functions now discharged by Ministry of Defence.
(b) Military functions discharged by Ministry of Aviation (now to be transferred to Ministers of Technology). |

3. As is pointed out in the main text (paragraphs 139-141) this division of responsibilities will not be permanent. It will be the responsibility of the proposed Prime Minister's Department to supervise the continuing process of organisational change by which the structure of government will adapt itself to technology, economic, social and political change.

MEMORANDUM No. 144

submitted by

MR. W. S. RYRIE

Assistant Secretary, H.M. Treasury

February, 1967

The Role of the Civil Service in Modern Society

SUGGESTIONS FOR AN APPROACH TO REFORM

There is a general feeling about the Civil Service—both inside and outside it—that “something is wrong”. Indeed a great deal is wrong. But diagnosis is difficult because the root of the trouble is not in the Civil Service itself but in the fact that the whole machinery of government is ill adapted to the tasks of government in society today.

2. The ideas put forward in this paper certainly go beyond the Committee's terms of reference; but I think it is impossible to discuss the structure and management of the Civil Service constructively without giving some thought to its role, and indeed to the changed role of government itself in modern society. I shall therefore

- (a) begin with some observation about the *changed role of government* in society;
- (b) go on to comment on the suitability of the *machinery of government, especially the Civil Service* to this role; and
- (c) finally offer some suggestions for an *approach to reform* for the Civil Service.

I. THE CHANGED ROLE OF GOVERNMENT

Government and society

3. The enormous expansion of the activities of government over the past half-century needs no emphasis. But I should like to draw attention to certain aspects of the State's involvement in society in this country which have an important bearing on the Committee's study.

4. First, what has taken place is not a simple extension of the powers and functions of the State, but a complex intermingling of public and private. It is worth noting that this is contrary to what many expected. Not long ago many people foresaw an inexorable movement towards universal control by the State. This was true both of those who saw it as a nightmare and those for whom it seemed the road to Utopia. There was the Orwellian nightmare of "1984" and also the early socialist dream of the common ownership, through the State, of *all* the means of production, distribution and exchange. Both dream and nightmare seem remote in 1967. The resistances to take-over by the State have proved stronger than many people supposed, and the private sector is clearly here to stay. But it is increasingly in closer contact with the State. More and more the State is involved in relatively detailed and local matters, as a national voice, as a source of funds, as an agent of pressure and influence. It is not involved simply as master, although ultimately it has power to coerce. In practice there is a great and important diffusion of power, and this is important for the work of the Civil Service.

5. Secondly a related point: the manner of the State's involvement is immensely diverse. We have a proliferation of para-State organisations: public corporations, nationalised industries, boards and commissions, negotiating bodies, with varying degrees of public and private participation, public participation in private enterprises, voluntary bodies financed from public funds. The variety is endless—and there is no clear boundary between public and private. All this too has an important bearing on the role of the Civil Service.

6. Thirdly, there is now a wide measure of public agreement about the role of government. In the 19th century there was a broad national consensus about the role of government—a State set over against society, distinct, with a strictly limited "holding-the-ring" role. For most of this century the country has been divided about the role of the State. The party battle has been largely fought on this ground. But the ideological extremes of the 1920's and 1930's now seem artificial; and although one might get a different impression at election times it can now fairly be said that there is again a national consensus. But the machinery of government as we have it today still reflects in some ways the 19th-century concept of the role of the State. To reform the machinery of government radically while the role of government was in doubt was difficult; the new consensus should make it easier to find a generally acceptable basis of ideas for remodelling the machinery of government, and the Civil Service as part of it.

The need for more decision-making

7. The essential reason why the State is more involved in society is quite simply that more collective decisions are needed. Society is increasingly compelled to take decisions and to plan in areas where formerly things were left to work themselves out. Towns and roads and railways grew up without reference to an overall plan, but can no longer be allowed to do so. Decisions about the supply of teachers, the number and distribution of hospitals and universities and an infinite variety of other matters, once left to the forces of supply and demand, now have to be taken deliberately, related to limited resources. The limitation of resources in relation to the expectations of the community is fundamental when we come to consider why the State is involved. In a much richer country, such as the United States, there has been less need for the government to intervene

in the allocation of national resources. We in this country are not only poorer—at the same time our expectations are influenced by the American example.

8. Besides the need for more decisions there is the fact that these decisions relate more and more to the long-term future. The road network of the 1980's has to be planned now. Weapons systems have to be developed nearly as far ahead and the rebuilding of towns further ahead. And so on. It becomes irresponsible not to think for the very long term.

The role of government in collective decision-making

9. It can be taken for granted, surely, that these trends will go on—the area in which collective decisions are required will continue to widen and the need to plan for the long-term increase. What does this imply for the role of government? Surely not—to come back to my earlier point—that the State must simply assume more power, and decide more issues for the community? The reality is rather that the State is called upon to play a leading role in the processes of decision-making and forward planning, and to make the ultimate choices in the cases of national issues; but that the community outside the government machine is more and more involved in these processes. The inter-mingling of public and private, of State and non-State will go further. It will not simply be a matter of extending the sphere of the State; but of further breakdown of the boundaries. The world outside the government machine is drawn in and will be drawn in more in future in two capacities which often overlap: as expert advisers and as interested parties.

10. Of course this does not apply to everything the government does. Many of the traditional functions of government will continue, with very little involvement on the part of the public, except through criticism in Parliament and in the press. But even in some of the most ancient functions of government, the splendid isolation of Westminster and Whitehall is breaking down. Foreign policy gets messily involved in the interests of farmers and exporters; defence policy is deeply entrenched in detailed technological and industrial issues involving many private interests. These processes will go further.

II. THE MACHINERY OF GOVERNMENT NOW

11. How does the machinery of government and of the Civil Service in particular match up now to these present-day needs? The answer is: badly. It seems to me that there are two problems of cardinal importance:

- (a) the problem of the level at which decisions should be taken, and
- (b) the problem of "convergence".

The level of decision-making

12. First the functions of the central government in Whitehall already embrace far more than can sensibly be decided at the centre. Government is involved in an immense variety of specialised aspects and local aspects of the nation's affairs:

but to a considerable extent the machinery of government is still that of the 19th-century State which was responsible for a very limited number of purely national matters and answerable in detail for them to Parliament. Of course some changes have been made to cope with present-day realities—the removal of the nationalised industries from detailed supervision by Parliament, for example. But a great deal of the clumsiness and inefficiency of government can still be traced to the doctrine of a minister's responsibility for all the detailed operations of his department and, in many cases, subordinate organs; and the right of members of Parliament to enquire into them. It is not just that answering Parliamentary Questions takes up much time in the Civil Service: the possibility of the Parliamentary Question or debate hangs over all public departments as an inhibitor, curbing initiative and stifling the will to take responsibility. Far too many issues are referred to the top not because they are intrinsically important but because they could be brought up in a political encounter in Parliament. A large proportion of the time of Ministers is taken up in delving into small issues for this reason, or guarding against this danger. Consequently far too little time and energy is given to the important work of framing basic and long-term policies and objectives.

13. If this is true now, it must get progressively more serious as time goes on unless the machinery of government is changed. The process by which the government is involved in more and more areas of collective planning and decision-making and the growing technical complexity of problems will heap heavier burdens on Ministers. If at the same time they have to cope with a growing volume of detailed work there is a serious danger that the whole machine will simply come to a standstill for lack of drive from the top. Already the rate of movement is slow for these reasons.

14. I think this point is of central importance. It is one of the main reasons for the dissatisfaction which Civil Servants feel about their work and the dissatisfaction which the public feels about the Civil Service. It is a matter of common experience amongst Civil Servants that they feel they have little or no responsibility, because ultimately everything seems to go to the top. We see our political masters overburdened with detailed work on day-to-day issues, and unable to give proper attention to the basic and long-term issues of policy which should be their main concern. At the same time we feel frustrated. Government departments grow larger and responsibility tends to get pushed up. Officers at the level of Assistant Secretary and Principal feel they have much less responsibility than their predecessors twenty or thirty years ago, and they are right. They are advisers and drafters, yes, and that requires intelligence and conscientiousness. Very few have much sense of responsibility for decisions. The whole ethos of the Civil Service discourages the taking of responsibility. All the pressures are in the direction of referring upwards if in any doubt: anyone who errs on the side of taking too much responsibility will soon discover that everything can be of political interest and need to go to the top. Hardly ever is a Civil Servant reproved for putting too much up, for not taking enough responsibility. All this is not the fault of individual Civil Servants nearly so much as of the way the machine works and especially of the way in which the whole of government, in every detail, is under the surveillance of the national Parliament.

15. Quite clearly the job of surveillance has to be done: as government's functions expand it becomes more important, not less. But we must find new ways of doing it. I do not propose to make suggestions here because this is something beyond the scope of the Committee's work. Ombudsmen may have a part to play; and regional representative bodies should be considered. But the essential point is that some means must be found of limiting the responsibility of Ministers and central departments to broad policy issues and devolving responsibility for other matters, perhaps on lines something like those which have been followed for the nationalised industries. Imagine how cumbersome and inefficient the National Coal Board would be if it were subject to detailed Parliamentary scrutiny.

The problem of "convergence"

16. The other great problem for the machinery of government in modern conditions is the way in which issues increasingly converge and interlock. Examples come to mind readily: school building involves a demand on the nation's building resources and resources of land; the future of the National Health Service depends on the supply of doctors and hence on policies for higher education; transport policies interlock with each other and depend on the regional distribution of population and industry; manpower comes into almost everything; external policies are more and more involved with domestic. And we are in the early stages of this. The more the government gets involved in regional planning, the location of towns, the distribution of population and industry, land use, transport, etc., the more will various aspects of its responsibilities be inter-related. Decisions in any one field will be impossible without a large number of concurrent decisions elsewhere.

17. This is perhaps the most formidable problem facing the machinery of government, and it is quite idle to pretend that there are easy answers. I only want to draw attention to the fact that it has not really been faced; and that the failure to deal with it is one of the main sources of inefficiency in the Civil Service today and of the severe frustration which Civil Servants feel about their work. Once again, the fault does not lie mainly with Civil Servants themselves. The problem of convergence is one of the main explanations for the excessive expansion of the central Civil Service. There are too many departments with overlapping functions. Too many Civil Servants are concerned with liaison with other departments. Far too much time is spent in co-ordinating the views of departments which have to be consulted just because they exist and have Ministerial chiefs who can take a disagreement to the Cabinet.

18. So far the main response of the government machine to the problem of convergence has been a Parkinsonian one—appoint more Civil Servants. The spectre of what may lie before us in twenty years if this continues to be the only response is terrible to contemplate. Instead, the response must be radically different—a reorganisation of functions and a drastic streamlining of the government machine as a whole. It is true that if the number of departments were severely reduced, a good deal of co-ordination now carried out inter-departmentally would still have to be done intra-departmentally; but this would certainly be simpler and a lot of the time wasted in the ever-growing jungle of inter-departmental committees in Whitehall would be saved.

III. REFORMING THE CIVIL SERVICE

19. I come finally to the particular role of the Civil Service in government and how it can be better adapted to its role. I should like to put forward four broad principles as an approach to reform.

Diversity

20. First I think it is important to recognise the diversity of Civil Service work. It is not all of a piece; and the use of the label "Civil Servant" is in some ways misleading. There are large differences between departments and within them. On the one hand there is a substantial part of the work of the Civil Service which consists essentially of management—of running an organisation which is wholly under government control, such as the forces, the Civil Service itself, the Post Office (although this is to change), the Inland Revenue, or the Customs. Then there is a large area of work of a quasi-managerial kind, where the central government is responsible for broad policies and for finance in one degree or another, but with the real managerial responsibility in the hands of local authorities (education, housing), or subsidiary organs linked more or less closely to Whitehall (hospital boards and nationalised industries). Again there is a wide area in which the work consists of the exercise of the powers and influence of the government in relation to the private sector (parts of the work of the D.E.A., Board of Trade, and the Ministries of Agriculture, Labour and Technology). Yet again, there is work on external relations (quite apart from the Foreign and Commonwealth Offices) which affects many departments now in one degree or another. The central economic and finance work of the Treasury and some of the work of the D.E.A. is again in a different category, as is the central co-ordinating work of the Cabinet Office. Generalisation about the Civil Service, therefore, cannot be carried far and organisational reforms will certainly have to be adapted carefully to the nature of the work in individual departments.

The Civil Service and collective decision-making

21. Secondly, over a large area of government, the essential role of the Civil Service should be seen as that of the management of processes of collective decision-making, i.e. processes in which outsiders are also involved. The Civil Service should therefore not aim at self-sufficiency—except in the limited number of cases where its work consists in running an organisation wholly under government control, like the forces. If the Civil Service aims at self-sufficiency, that is to say, at having within its own organisation all the necessary resources of data, collection and expertise, it will grow more and more cumbersome, and more and more out of touch with the rest of the community.

22. Except in the limited areas I have mentioned, the work of the Civil Service is not "managerial" in the ordinary sense and close analogies cannot be drawn with the problems of I.C.I. or Shell. Unlike I.C.I. or Shell, the Civil Service is concerned not with decisions for itself but for the community as a whole; and I have already argued that if they are to be good decisions the community must be involved in them. The essential function of most Civil Service departments, therefore, must be increasingly one of managing a great variety of processes of data-collection, consultation of experts, and discussion with interested parties—

processes in which industrial groups, trade unions, professional associations, public and semi-public boards and bodies, local authorities, independent experts and interested groups of all kinds will be involved. The task is to manage these processes efficiently, so that problems are examined thoroughly but the processes move with reasonable speed towards conclusions and decisions. The aim always should be decisions which are sound and at the same time not merely imposed on the community by isolated gentlemen in Whitehall but in some real sense made on behalf of the community. "Management" in this rather special sense calls for its own techniques and I believe these will require much more study and that much more deliberate training of Civil Servants on their subjects will be needed when studies have been carried further. Meanwhile all this should be recognised as a special expertise and deliberate efforts should be made to develop it.

Streamlining

23. Thirdly, this implies a smaller Civil Service. The trend of expansion must be reversed. This could be done in three ways:

- (a) Responsibility should be delegated to subsidiary bodies with well-defined functions wherever possible, removed from day-to-day Parliamentary scrutiny. Ideally regional organisations should be set up in the same way and the work of central departments so organised that Ministers are much less involved in day-to-day matters. But this raises difficult constitutional issues in relation to Parliament which I have discussed above.
- (b) A drastic reorganisation and simplification of the central departments is needed to enable the Civil Service to cope better with the problem of convergence or interlocking. This is an intractable problem, and overlapping will always be a difficulty. But if the problem is approached by means of rationalisation and streamlining it must be possible to bring about a substantial reduction in numbers.
- (c) Outside experts should be used *ad hoc* as much as possible. The Civil Service should not aspire to contain within itself all the expertise required for the making of policy. This leads me to my third principle.

Civil Servants and experts

24. Fourthly, a new view is needed on the question of how far Civil Servants themselves should be experts. This is one of the greatest sources of confusion in thinking about the role of the Civil Service. Two points need to be made:

- (a) There is no doubt that the complexity of present day problems means that the 19th-century notion of the intelligent layman, able to turn his hand to anything, relying if necessary on the experts but relegating them to an advisory role, is now frivolous and irresponsible. Civil Servants must know much more about the subjects they deal with. Picking up the essentials on the job is entirely inadequate. The Administrative Class is full of people with enough familiarity with the day-to-day issues to enable them to get by but with no deep understanding of current thinking about their subjects.

- (b) But at the same time Civil Servants cannot be *primarily* experts in the subject with which they deal. There is a school of thought that the Civil Service should become entirely a body of experts, each specialising in a very narrow field. I think this would be unhealthy. In the first place, the essential loyalty of Civil Servants is not to the purity of academic truth but to the community. They have another specialism, that of government, and this should be given more recognition. Because their time is occupied largely in the practical business of government, they are always likely to be outrun in other subjects by academic specialists. But in any case it is all to the good that they should be—if not, the arrogance of government would be insufferable and views held inside the government machine would be challenged less. Rather they should aim to be expert enough to conduct a reasonable dialogue with more expert specialists without having to ask that everything should be put into layman's language; and the whole machinery of the Civil Service should be adapted to making more use, informally as well as by means of the appointment of special committees, etc., of outside experts.

25. The conclusion is a compromise. In my view the Civil Service must go over to more specialisation. Training should be directed much more at the particular area in which the trainee works. And training should be accepted as something which continues right through a Civil Servant's career, not just as a necessity for new entrants. The most senior sometimes need training or re-training most—they think they know but in today's fast-moving world they are often out of touch. Taking into account what I have said about the diversity of Civil Service work I think this points to a policy of grouping departments—an economic group, a social service group, a defence and overseas group, and so on. Civil Servants would be able to move within their group but not normally from one group to another. There should also be more movement in and out of the Civil Service—but Civil Servants going out temporarily should go to jobs in the particular field with which they deal. And there are limits to the extent to which outsiders can be temporarily employed in the Civil Service because the central departments must always be staffed predominantly by people who are professionals in the business of government.

The vocation of a Civil Servant

26. This brings me finally to a point about morale. The morale of the Civil Service, once a rather self-satisfied *élite*, has suffered sadly since the war. A new sense of vocation is badly needed. A re-statement of the role of the Civil Servant in the second half of the 20th century on the lines of this paper, combined with reforms to enable us to carry out that role more effectively, would, I think, do much to restore our drooping spirits.

MEMORANDUM No. 145

submitted by

MR. D. SEERS¹

*Director of the Institute of Development Studies; formerly
Director General of the Economic Planning Staff,
Ministry of Overseas Development*

April, 1967

I. The functions of the Civil Service: Theory and Reality

One must start with the question; What does the Civil Service do? The doctrine is that it advises Ministers on policies and then carries out those they adopt.

Limits on Ministerial Power

2. The first part of the doctrine is a myth: Civil Servants very largely decide the policies themselves. Let me emphasise at once that I am not attacking the Civil Service. I have the greatest respect for their integrity, intelligence and devotion to duty which are, to my knowledge (and I have worked in several countries) unequalled anywhere in the world. My point is that the institutions are such that the doctrine *cannot* be true. No official secrets need be revealed to substantiate this. The doctrine requires a Minister to have the time, energy, intelligence and experience to master the great range of policy issues that face a modern department. It also requires Civil Servants to be sufficiently detached to be able to present to Ministers the issues that need resolving in a completely objective manner. In brief Ministers and Civil Servants would have to be something other than human beings.

3. The shortage of time is alone enough to invalidate it. In Britain a Minister has, from the very fact of being a Minister, a large number of jobs. He belongs to Cabinet Committees, if not to the Cabinet itself; he must be a member of Parliament, nearly always of the House of Commons; and he is a leading member of a political party. The responsibilities of mastering the business of the Cabinet and its committees, takes (or should take) many hours a week, apart from attending official functions of one kind or another as a government official. Any M.P.'s job is almost full-time in itself, if the day-to-day interests of constituents are to be looked after and the constituency nursed properly; a Minister has to be there periodically to answer questions, introduce or reply to motions,

¹ I have benefited from the comments of many Civil Servants on an earlier draft. Most had better remain anonymous, but I would like to acknowledge a particularly heavy debt to Paul Streeten, whose views I have at places shamelessly appropriated.

A revised version of Mr. Seer's evidence has been published in "Crisis in the Civil Service," edited by Professor Hugh Thomas, 1968.

or speak in debates; and he has to be in the precincts of the House for long periods to respond to the Division bell. The party itself, also imposes demands on a Minister's time—committee meetings, weekend and by-election speeches, etc. Finally, those who lobby for one cause or another have to be seen, especially friends or political allies.

4. The Minister has therefore to rely almost completely on the advice of senior officials, especially the Permanent Secretary. He sees very much less of the business of the Ministry than, say, a manager of a firm employing the same number of people. Both will of course delegate their power, but whereas the business manager selects consciously what type of decision to delegate, this vital selection is made for a Minister. He works virtually in the complete dark. By the time an issue reaches him, there is little left to decide; unless he probes deeply, he can draw only one conclusion. He sees few of the arguments which have been deployed and rejected at lower levels—whether within his Ministry or inter-departmentally. It would be naive to assume that information or policy alternatives are regularly kept from Ministers, but it would be just as naive to suppose that Civil Servants never do this; sometimes they feel strongly that the national interest requires certain policies to be adopted.

5. Several Ministers are of course in any case quite happy to take over the policies of their officials. They may lack confidence in their own judgment or ability. A Minister knows, at the back of his mind at least, that he needs the co-operation of his officials. If replies to parliamentary questions are not prepared properly, he will be defenceless in the House. Officials, with their knowledge of the machinery of Whitehall, can help him enormously if they use it competently on his behalf. They in any case allow him the appearance of power (red dispatch box and all) so that he can without difficulty keep his self-respect.

6. One might expect that Junior Ministers would be able to delve more deeply into the roots of policies. But much of what has been said above applies to them too; although their fields are narrower, these are still too large to be covered properly by someone who can only work part-time. Each of the Junior Ministers at the Foreign Office, for example, is still responsible for too many countries and too big policy questions to be able to study them personally. Moreover, their position is fundamentally far weaker *vis-à-vis* the Civil Service.

7. Often there is a strong current running through Whitehall, the product of innumerable lunches and telephone conversations, one party in which is usually some senior Treasury official, and the tacit object of which is to steer Cabinet decisions. The issue will then be presented to the more important Ministers in such a way that a certain policy appears as virtually inevitable. A Minister who went against the consensus would sooner or later have to face the possibility of resignation (as would any Minister who disliked the politics of any of his senior Civil Servants so much that he wanted to change them). Since few Ministers have alternative sources of income that would yield them comparable status and living standards (especially since the jump in Ministerial salaries in 1964) this prospect is daunting. For Junior Ministers, resignation involves a great risk of never rising to the top in their career.

8. One small but not unimportant point is that minutes of meetings are always prepared by officials. Of course they do not consciously distort, but compressing ten or twenty thousand words into a few hundred gives a wide margin for judgment, particularly in selection of key points.

9. I am not arguing that Ministers are impotent. A Minister usually has hobby-horses that officials will groom and train, and on some issues he may well insist on the need to suit the tactical needs of his party or himself. Sometimes, too, a Cabinet decision is not easy to predict. A Cabinet Committee deals only with residual issues which have not been resolved by the corresponding official committee, but these issues can be very important. The briefs from which Ministers speak are of course prepared in their departments, but a good deal depends on the skill with which the department's view is presented, particularly when expenditure is to be allocated.

10. Civil Servants often wish politicians would give them clearer directives. A Permanent Secretary sometimes tries quite genuinely to formulate what his Minister would want, if the latter had the time and capacity to decide himself. Many at least believe they are doing this. But few Ministers have political views worked out in sufficient depth, or expressed clearly enough, for this to be possible. Party manifestoes are formulated so broadly (in order to be generally acceptable) that they provide little concrete assistance; and in any case the attachment of some Ministers to party doctrine is limited.

11. In order to test who makes policy a simple question can be put: Does the change of a Minister greatly affect a Ministry's policy? There can hardly be much doubt about the answer. The Evans-Christie case is a striking example of continuity in policy as Ministers came and went—so of course is virtually the whole of foreign policy. On the other hand, changes in senior Civil Servants have a noticeable effect on policy—particularly in the Treasury and the Commonwealth Office in the past few years.

The Archaic Structure

12. The Civil Service must bear a share of the responsibility for our chronic difficulties.

13. Naturally, this is not to say that officials are solely to blame. A period of political and economic strain was inevitable for reasons that can be very briefly summed up as a swift transformation of the world, unfavourable to Britain, which is still continuing.

14. But the Administrative Class, as the source of real political power, could have done much more to cure the other national weaknesses. Secondly, our problems would have been much less severe if serious policy errors had not been made.

15. The Service would have been (doubtless was) admirably equipped to deal with the problems of Victorian, perhaps even Edwardian, times. The most important virtue for the policies of a major imperial power was continuity, so

that other governments knew where we stood, and how far they could go. There was, moreover, considerable room for manoeuvre up to 1914—a British government could follow mistaken policies without courting disaster. Economic policy was hardly needed: the industrial structure could be left to adapt itself to economic trends.

16. Since 1914, the most important requirements have been flexibility and professional capacity, so that the country could be helped to adjust to a new role in a fast changing world. This required a different type of Civil Service. The Service has of course not remained unchanged, but power is concentrated in the hands of elderly officials who were mostly educated and entered the Service before the economic and political upheavals of the 1930's had begun to generate a critical atmosphere in the outside world, including schools and universities. Many have adjusted to the modern scene, but many clearly have not, and the drawbacks of the consequently archaic attitudes may outweigh the merits of experience, so that the officer concerned is a net liability for an administration facing the problems of the 1960's and the 1970's.

17. The Service does not have the means of assessing the reasons for past errors, and making the necessary reforms in its own structure, still less of attributing responsibility and getting rid of failures. Although politicians can lose office, individually and collectively, because of policy errors, the chief architects of the policies remain in office, and indeed become steadily more powerful, because of the growing pressure on Ministerial time. The Service partially believes the myth about its role, which provides a suitable excuse for mistakes. (I have actually heard of an official¹ who produced a paper early in 1966 predicting the imminent fall of the Smith regime because of economic chaos, which was prophesied in great detail, defend himself subsequently by saying that this is what he had believed Ministers wanted!)

18. There is normally no means of reforming the Service from outside. It is almost completely sealed off from parliamentary criticism, and it is protected from the press by security regulations and by the defence that Civil Servants cannot defend themselves. Politicians would be unwise to reform the Service themselves; it is reasonable to predict that press criticism would be severe. This is what makes the appointment of the Fulton committee so important.

II. The Formation of Policy

19. Many people believe that the senior Civil Service acts as a conspiracy to outwit and neutralise politicians, especially of the Labour Party. It is true that higher officials seem to be broadly conservative, even rather chauvinistic, in their outlook, as is only to be expected for elderly people of middle-class origin, expensive education and high income, in a country which until very recently ran an enormous empire.

20. But the Service rightly resents this charge. The great majority, if not quite all, try consciously to serve loyally the political leaders of the day.

¹ *In the Home Civil Service.*

Moreover the Service is far from homogeneous; there is clearly quite a range of political attitudes.

21. The effect of the attitudes of Civil Servants on the content of policy is more indirect, through an almost unanimous reliance on intuition, and a distrust of systematic argument, especially where the content is highly quantitative.

22. This rather dilettante approach to life, common in Britain anyway, especially among those with Arts degrees, is reinforced by the pressing demands of immediate issues of policy which appear suddenly and, partly because of the weakness of preparatory work, unexpectedly. Issues of national importance are decided without the costs and advantages of the various alternative policies being assessed even roughly (though this seems to happen less frequently than it did a few years ago).

23. One feature of an aristocratic style of work is a courteous practice of taking account of the views of all officials of a necessary seniority, including those belonging to other departments. Yet there is little attempt to get to the fundamental sources of disagreement; these are papered over in compromises when briefs are drafted or committee papers prepared. Consequently basic objectives are rarely defined, and discussions are often repeated, sometimes over a period of months.

24. There are of course well-known virtues in this working style; it helps protect the country from doctrinaire extremism. Civil Servants can readily communicate with each other, and negotiate their differences. If at times it creaks, the machine does work to incorporate relevant views in a paper by the date required.

25. However, there are also certain costs. In practical terms those who think in this way are reluctant to examine the past for errors, or to visualise the shape of the future. Not having a firm basis for policy they tend to confuse the inherently desirable with the tactically necessary.

26. Officials tend in any case to settle for policies that involve as little difficulty as possible for the Ministry in the short run, even if they involve a heavy price for the country in the end. This may also be the inclination of Ministers, since P.Q.'s are mostly aimed at unearthing mistakes in day-to-day policy.

27. One result of the lack of long-term strategies is that policy is unstable. Opinion often shifts in response to a single new piece of information (even a rumour) or more sharply with the change in chairmanship of key committees.

28. Through ignorance (in some cases contempt) of the work of the professions the Civil Service fails to make anything like full use of the professional resources of the country. Until recently the Commonwealth Office had not one professional economist or statistician even for a Division described as "Economic". The Board of Trade still manages without economists. Many Ministries, including the Foreign Office, still have no economist of standing and rely on do-it-yourself methods of research and diagnosis.

29. When professionals are brought in, they are often badly selected or mis-used. The Ministry of Agriculture and Fisheries largely confine their economists to questions of accountancy, rather than the larger issues of policy—for example whether Britain should be growing sugar-beet. Some Civil Servants feel a surprising degree of confidence in their own ability to decide technical subjects—lack of any education or even systematic reading on economic questions does not stop them from expressing strong, even if vague, views on subjects such as international liquidity, views often based on the fashionable journalism of a few years previously. (Files, particularly those marked to economists, often refer to “take-off” and “self-sustaining growth”, as if Rostow’s work had never been the subject of devastating professional criticism.)

30. Paradoxically, professional opinion is sometimes treated with exaggerated respect. Those who have had purely a classical or literary education often fail to recognise the limitations of the social sciences and expect some uniquely correct “technical” answer to controversial questions which require political and social judgments.

31. These weaknesses are spread to other areas of public life by the official power of recommending to Ministers the names of those to be appointed to public committees, commissions, regional bodies, etc. The agreeable operator is generally preferred to the man with professional qualifications, especially if the latter is likely to raise difficulties.

32. I will not enter into detail on policy implementation, about which the Committee will no doubt have received much evidence. I would just make two points. One is that implementation cannot really be separated from policy formation—the way in which policies are carried out, which is almost entirely a matter for officials, itself gives the content to directives as well as providing precedents for the future. Secondly, the slowness with which business is conducted (exemplified by familiar delays in handling correspondence with the outside world) is not due, except in rare cases, to incompetence, but to the very elaborate committee structure and to the centralisation of decision-making.

Economic Policy

33. I could most easily illustrate the above from the work of the Diplomatic Service, which I know best and which is rich in examples, but since this lies outside your terms of reference, I will give some illustrations from domestic economic policy.

34. The senior officers of the Treasury see their function chiefly as that of curbing extravagance and strengthening the pound, rather than modernising the economic structure and promoting its development. They have no practical experience of industry or commerce, or even modern techniques of management; all face the prospect of retirement on a pension the purchasing power of which would be eroded by price inflation, and this tends (of course subconsciously) to reinforce preferences for stability rather than expansion.

35. It is true that the Department of Economic Affairs was set up (in 1964) with the responsibility of planning the country’s economic development. But few of the economists concerned have had much previous experience in drawing

up and implementing national plans, and the non-economists continue to exercise a great influence on actual policy (as distinct from writing plans).

36. The economic advisers who were brought into government have had on the whole little impact on policy, or even on the way in which policy is formed. (The main exception is Dr. Kaldor's three major new taxes.) One reason is that the senior ones were really brought in more for political reasons than for professional, i.e. to make it easier for new policies to be adopted; they are therefore understandably viewed with some suspicion by permanent officials, and they are often bypassed on major questions of policy. Another is that some of them—especially those who have worked mainly at universities—lack the arts of the administrator. (The economist tends to address himself to topics which interest him professionally instead of selecting the issues that really matter and following them through.) In any case, for the reasons explained above, the senior Civil Service has a limited "absorptive capacity", to use a term from development theory, for professional opinions.

37. Broadly speaking, Treasury officials at any level are more competent than their opposite numbers in the D.E.A. or any other domestic department, and they traditionally speak with great authority. Not merely do they decide fiscal policy and (to a considerable degree) monetary policy; day-to-day control of expenditure gives them a big voice in all types of policy, apart from their handling of the promotion and transfer of Civil Servants.

38. To say that the pattern of public expenditure reflects the Treasury's influence is not to say that it shows a coherent strategy, however. The annual review of future expenditure plans is just departmental horse-trading. While some economic analysis is incorporated in the background papers setting the framework, there is no attempt to assess the respective economic consequences of (say) accelerating housebuilding or slowing down the expansion of transport, and the eventual pattern may well not be internally consistent or compatible with the anticipated rate of development. Indeed growth is treated for the exercise as a datum, unaffected by the amount or composition of public investment or the impact of overseas aid on the economic and political health of the rest of the world. But in such a free-for-all, the more or less steady influence of the Treasury in certain directions has a great influence on the outcome.

39. When expenditure is cut drastically, as it was in July 1966, the procedure is similar. A global figure is decided in advance, and the allocation between departments is worked out hurriedly, in the first place by Treasury officials, without estimating how much a departmental economy will improve the next year's balance of payments (the ostensible purpose of the exercise), still less the country's long-term economic strength. Some would describe this method of work as pre-Keynesian. The objective is to achieve a certain level of expenditure, not certain economic goals, and for this purpose, all expenditures are equal.¹

¹ Prof. F. G. Bailey's recent paper "The Peasant View of the Bad Life." ("The Advancement of Science," 23, 1966-67), analysing the resistance to modernisation by the hill peasants of Orissa, makes one point that is not inapposite. Speaking of planning, in the sense of aiming at a different structure rather than merely making provision for the future, he says "They do not reject the idea as wicked: they simply do not have the category."

40. Another illustration has been the lack of clarity in policy about entering the European Common Market. Originally, when entry would have been easy, there was little official enthusiasm; and, although the balance of official opinion now favours entry, there is (and has been) sufficient opposition to inhibit successful initiatives. On the other hand, surprisingly little work has been done on the implications of alternative strategies.

III. Proposals

41. The significance of the Committee's appointment is that it provides a rare chance to make British administration more flexible and able to contribute more effectively to the country's modernisation, breaking the vicious circle of economic stagnation and political futility which might otherwise in due course reduce our status to that of other ex-imperial powers such as Austria, Spain and Portugal.

42. If I were a member of the Committee, I would treat the problem as a familiar one in development theory of how to induce change in a static society where political power remains permanently in the same hands. The best strategy is usually in such a case to prepare a "package" of key reforms that will reinforce each other.

43. Many innovations which are good in themselves may be counter-productive, if made in isolation. One example is the proposal to broaden the basis of entry to the higher ranks. There is a strong case for this (though not so strong as in the Diplomatic Service), but if this were the main change, it would have little effect during the three decades that it would take for new recruits to reach the top. It does not in fact really mean change at all, provided the establishment is left with the means to mould the next generation into a copy of itself.

44. In itself, therefore, widening of the sources of entry is likely to lead to less, not greater, flexibility. The same applies to proposals to "democratise" the Service by abolishing the distinction between the executive and administrative classes and facilitating upward movement; somebody who has risen from the lower deck is not usually one of the more enlightened members of the ward-room.

45. Reducing the security of tenure of Civil Servants would be particularly dangerous under present circumstances. No doubt many senior civil servants would have been dismissed a long time ago if they had not been protected by being established. But these would not necessarily or even probably have been the incompetent. The authorities would, not of course as an avowed or even conscious purpose, use the opportunity to get rid of internal critics. There would usually be perfectly valid reasons; unfortunately, the heretics in a closed society as the Civil Service often have characteristics (such as bluntness of speech) which slow down or prevent their promotion, and this may in turn effect their efficiency.

A. FORMATION OF MINISTERIAL POLICY

(i) *Political Staffs*

46. It should be accepted practice that a Minister brings his own immediate advisers with him when he takes office. These advisers, no doubt drawn partly from political party headquarters, should have direct access to him, but also freedom to discuss policy with officials, and to attend official meetings. They should be clearly identified as political appointments.

47. This measure should have the highest priority. It would help rehabilitate the Service in the public's eyes. It would make policymaking more responsive to the tides of public opinion. It would free permanent Civil Servants for the job they are supposed to do, namely provide advice on policy decisions. It would free the top-level economic advisers from their quasi-political functions. It would provide some experience in the public service for those who would no doubt be potential Ministers.

48. There is nothing which makes this formally impossible at the moment. But an attempt by a Minister to establish such a staff would almost certainly arouse great resistance, including threats of resignations, which no Prime Minister could face lightly. What is needed is a statement by this Committee giving the reasons why such an innovation is necessary. No doubt many Ministers would not want to take advantage of this possibility. But after a few done so, it could easily become accepted practice, as it is in France.

49. Problems of security would be raised. There would be greater dangers of leaks, especially by those who leave with a Minister. But all proposals for making the Civil Service more flexible involve some relaxation of present security arrangements (as well as other risks), and the question is whether the dangers involved are as damaging to the national interest as continued inflexibility would be.

(ii) *Outside Advice*

50. One means of making policy more flexible in the next few years would be to organise regular meetings between the political heads of each Ministry, its senior Civil Servants and outside advisers. What is needed is not the typical "advisory committee", meeting for a couple of hours two or three times a year, but meetings lasting two or three days, perhaps annually, at which a Ministry's whole strategy could be assessed and possible new initiatives could be discussed "off the record". Another would be to set up working parties of non-officials for the same purpose.

(iii) *Planning Units*

51. The need for a shift towards longer-term policy implies the need for planning units in each Ministry, responsible for preparing medium and long-period (say, 5-year and 15-year) strategies. These units, composed of both administrators and members of the professional services, should keep in close touch with the Ministry's political staff and also the government's central planning

organisation (see below). This change would again be dangerous unless the formation of policy is brought under tighter Ministerial control; it might prove merely a sophisticated cover for the continuation of existing policies.

(iv) Evaluation

52. Improvement in policymaking will be slow unless the reasons for past mistakes are studied. The planning units should be charged with the responsibility for doing this in each Ministry; and policy statements (especially national economic plans) should start from a diagnosis of the defects of the economy and an assessment of previous attempts to remove them.

53. This will require the removal of the ban on access to Cabinet minutes of previous Governments (and to minutes containing official advice). The price involved—some inhibition of advice and discussion—should not actually be great compared to the big stimulus this would bring.

(v) Scope of Parliamentary Committees

54. The above suggestions would increase the influence of the political party in power. It should be offset by giving the Opposition (and backbenchers) a greater chance to question and influence policy. There have already been suggestions that parliamentary committees should have the power to examine Civil Servants on the advice they give. This would be a major step forward.

55. There is, however, a danger that such hearings, like P.Q.'s, would have the effect of making officials even more cautious and negative. Chairmen should be given the specific responsibility of seeing that questions are directed to general policy questions, rather than to detailed issues of implementation. Then senior officials would not only have to defend their policy publicly; they would have to pay serious attention to longer-period policy.

(vi) Security

56. Your Committee should recommend a separate review of security clearance for recruits to the service (and those promoted to senior positions). The "positive vetting" procedure reflects "Cold War" tensions which have now become less acute, and many people are lost to government service who would be useful. It is true that heads of departments have some discretion in certain cases, but present procedures seem designed to minimise the risk of breaches of security rather than to maximise the national interest.

B. STRUCTURE OF GOVERNMENT

(i) Responsibilities of Economic Departments

57. Placing an economic planning office within a government machine is a well-known problem in the administration of countries attempting to accelerate their economic development. A separate Ministry of Economic Affairs has nowhere, to my knowledge, been found a satisfactory solution.

58. One practical possibility is to attach it to the Prime Minister's (or President's) office. This can work if the head of government is able to devote a large proportion of his time and energy to ensure that individual Ministries respect the overriding priority for development in all economic policymaking. Even then, the result is usually that the more orthodox officials of the finance ministry, which is deeply concerned with short-term policy, are perpetually in conflict with the planning unit, and the tension is likely to be damaging rather than constructive.

59. Given British traditions and the nature of the senior policymakers in the Treasury over the next few years, a better arrangement would in my view be to join up the responsibilities for economic and financial policies in one Ministry, despite the likelihood that, at least for some years, the entrenched weight of Treasury attitudes and practices will prevail. My reason is that in fact Treasury officials are already moving towards a more long-sighted and "economic" approach to many problems and that this process can be accelerated by creating an organisation with more specifically economic responsibilities, and containing a large fraction of professional people.

60. What I suggest is that the staff of the D.E.A. should be brought into a single Ministry with those parts of the Treasury responsible for taxation and the pattern of spending, the new Ministry being given the specific responsibility of promoting development as its highest priority, which could be symbolised by calling it a Ministry of Development and Finance. This new Ministry would co-ordinate the work of economic planning units in other Ministries, and ensure that public expenditure plans and monetary policy were consistent with long-term economic development.

61. The head of this organisation would chair meetings of a committee of heads of planning units to discuss drafts of an economic plan, and (later) its implementation, including changes necessitated by unexpected developments, such as foreign exchange crises. This committee would also be responsible for background work on the 5-year public expenditure programme, bringing out in their submission to Ministers the economic implications of various alternative programmes.

(ii) *Inter-departmental Committees*

62. The speed and efficiency of work would be greatly increased if the inter-departmental structure were simplified. The present practice of arranging meetings attended by all departments who might conceivably be affected, and then repeating many points of the same discussion at higher levels, means a gigantic waste of expensive time. It also gives an effective veto power on new initiatives to departments not closely concerned.

63. The responsibility for policy formation should rest squarely with the Ministry concerned, which should consult others only to the extent that this is unavoidable. Except for economic policy issues, one meeting between representatives of departments immediately concerned should normally suffice; many more issues should be cleared by personal discussion (generally by telephone).

Some inconsistencies in policy would be inevitable, but these are common anyway in economic policy (see Section II) and they would be reduced if the new economic Ministry (proposed above) played its proper role; in any case on a limited scale they would be a price worth paying for greater speed and more positive attitudes.

C. PERSONNEL

(i) *Early Retirement*

64. To make early retirement easier would on balance improve efficiency substantially and quickly. Measures to facilitate retirement would also be more humane: some older members of the Service will find it increasingly uncongenial if it is modernised.

65. At present, a Civil Servant who retires early has to wait until he is 60 before he receives his pension. One way of accelerating retirement would be to allow any officer who retires after his 50th birthday to receive an actuarially calculated gratuity in lieu of pension, or a reduced pension starting immediately and to make retirement at 60 more common. Another possibility would be to limit, say to 6 or 7 years, the time anyone remained in the Service after reaching the rank of Deputy Secretary.

66. Many valuable people would be lost. But many of the best Civil Servants could be more likely to stay if they felt there was a prospect of promotion becoming easier, and the Service rejuvenated. Besides, against any net loss must be set the need to get rid of many whose influence and advice are, on balance, no longer of positive use.

(ii) *Delegation of Power*

67. The Civil Service is overstaffed. Devolving power to lower levels would not merely reduce the movement of files and delays in correspondence; it would also help to shift policymaking to those with more up-to-date attitudes.

68. It would be wrong to expect much economy of staff, but to set a ceiling for five years on the numbers in the administrative grade, after the planning units have been set up, would compel streamlining, including a reduction in number and size of committees.

(iii) *Greater Professional Competence*

69. A number of suggestions have been put forward by others to raise the professional level of the service. It has been rightly argued that relevant specialised expertise should be required from all recruits, that there should be more in-service training facilities and that regular opportunities should be provided for work outside the service. I will not waste the Committee's time by going over this ground again.

70. One need, which may not have been so frequently put forward, is to depart from uniform salary scales. It is proving, for example, difficult to recruit and

retain economists, under present conditions. Because of the unattractiveness of pay and conditions, only a small proportion of the Government Economic Service is established. There are also chronic shortages of statisticians.

71. The crux of the matter is that the market for people with technical qualifications is becoming much tighter than for those with degrees in classics, history, literature, theology, etc, and salary scales outside Government are rising rapidly under the influence of the fast climb in American professional salaries. Members of the professional services in governments, on the other hand, are under some disadvantages; they are unlikely to be promoted to really senior positions, and they mostly have an "advisory" rather than policy-making status *vis-à-vis* administrators even on questions which require professional competence. Yet they are only paid the same salaries as those who would in many cases find much greater difficulty in getting employment outside government.

72. Until the service as a whole becomes more professional, salaries for economists and statisticians should be significantly higher than for the corresponding administrative grades. (Premia are also no doubt needed for the scientists.) The need is particularly great for the ages 24 to 28, where professional salaries are determined by the scale for Assistant Principals, a probationary grade, and are out of line with, for example, university scales.

73. The government would in this way give a lead to other organisations on salary policy, and encourage schoolchildren to specialise in technical subjects.

MEMORANDUM No. 146

submitted by

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD

July, 1967

The Use of Economists in the Ministry of Agriculture, Fisheries and Food

General

1. The Ministry has a small cadre of professional economists in the Economics Policy sector of Headquarters to advise generally on the economic aspects of the work of the Department and to undertake investigations into the economic aspects of policy and development. The posts are held by graduates with first- or second-class honours degrees in economics, agriculture or a closely-related subject, many of whom also hold degrees awarded for post-graduate study or research. The Ministry also has a group of specialist advisers in the National Agricultural Advisory Service concerned with the improvement of productivity on the individual farm. In neither case is accountancy of significant importance as such, although the analysis of farm accounts and national sector accounts are important sources of information on the economic condition of the agricultural industry.

Headquarters Economists

2. The activities of the Ministry span a wide spectrum of economic activity—from the production of food on home and overseas farms through to the consumers' table—which, in total, represents one-third of consumers' total expenditure. There is, therefore, immense scope for the contribution of economists to the formulation of food and agricultural policy domestically and internationally. This contribution is limited only by the shortage of professional economists, which has to be met as far as possible by the deployment of executive staff to work under the general guidance of the economists.

3. Particular subjects of importance include the support arrangements for agriculture, the structure of the agricultural and horticultural industries, food marketing and distribution, the fishing industry and U.K. external trade in farm and food products. The economists work closely with the administrative divisions responsible for domestic and external relations policy. Their attention is concentrated on the analysis of current and prospective trends of production of agricultural and horticultural crops; ways of effecting improved deployment of

economic resources in relation to particular crops, and types of farming and nationally; trends in demand for food products and in prices; and changes affecting external trade and balance of payments. In addition to the preparation of material for the internal use of the Department, reports are published from time to time and papers read to professional societies. Two recent examples are "The Structure of Agriculture" H.M.S.O., 1966, and "The Place of Agriculture in the National Economy" G. Sharp and C. W. Capstick, *Journal of Agricultural Economics*, Vol. XVII No. 1, 1966.

4. More recently the advent of the E.E.C. negotiations has placed an especial emphasis on the international side, and this is expected to increase as the negotiations proceed. Consideration would be needed commodity by commodity to the formulation of new systems of agricultural support and to the impact of new developments on the farmer and the consumer.

5. The Agricultural Economics Departments of ten universities in England and Wales are commissioned by the Ministry to undertake research and investigations into the cost and profitability of individual commodities and types and sizes of farm businesses. This work is directed and co-ordinated by the economists of the Ministry and provides a basis for advice at the national level and on individual farms. In addition the Department contributes financially to the research work of the universities into other aspects of agricultural economics and food marketing.

Management Specialists in the N.A.A.S.

6. The N.A.A.S. advises farmers in business management—principally in relation to the economic consequences of changes in production techniques and/or farming systems—and for this purpose uses recording, analytical and planning techniques of varying degrees of sophistication. It has a small group of specialist farm-management advisers, rather more than half of whom have either first degrees in economics or agricultural economics, or else formal university post-graduate training in agricultural economics. Their duties are to train other N.A.A.S. officers in farm management advisory work, to develop techniques, to carry out economic investigations and to act as consultants to general advisers.

MEMORANDUM No. 147

submitted by

PROFESSOR P. J. O. SELF

Professor of Public Administration, University of London

November, 1966

Note:

This paper is primarily concerned with the future of the administrative class within the British Civil Service. Part One offers some general proposals about the functions and recruitment of administrators, Part Two deals with the education of administrators.

The views expressed are based upon academic study and also upon some direct acquaintance with government departments which has arisen partly in the course of gathering material for books, and partly in a different capacity as chairman of a voluntary organisation (the Town and Country Planning Association). Inevitably this means that my knowledge of the whole system is uneven, being biased towards certain departments.

I would add that I do not feel at all dogmatic about the proposals in Part One, which are only one man's attempts to find some answers to questions which will be deeply engaging the Committee. However, I do feel strongly about the views expressed in Part Two, particularly in relation to the role of the universities, and would welcome any further opportunity of illustrating or demonstrating their importance.

PART ONE

The Future of the Administrative Class

The virtues of general administrators¹ under the British system—their political impartiality, high standards of conduct, and dedication to a broad view of the public interest—have been often extolled and need not be repeated here. I believe that the British system of administration has indeed many virtues which ought to be preserved, and that additionally it is less prone to some of the dysfunctions of bureaucracy than are other public services. Relations within the British Civil Service are generally good, as they are also between Civil Service and public. In the conduct of public business, British administrators show more flexibility, energy, courtesy, and willingness to dispense with formal channels of communication than their critics allow.

2. Against such virtues must be set the fact that modern administration requires more specialised qualities, more complex processes, and more elaborate forms of

¹ This phrase is intended to cover both the *Administrative Class* and the *higher grades of the Executive Class*.

team-work than the British system is designed to produce. I believe that the existence of a class of general administrators will continue to be valuable, but that considerable changes are necessary in the character and functions of this class.

3. The general lines of development to be advocated here can be summarised as follows. First, administrative work should become more specialised within broad areas of governmental activity. Secondly, the vertical integration of central administration with the work of public corporations and local authorities should be strengthened. Thirdly, there should be more systematic attention to the planning of departmental programmes. Fourthly, the recruitment of administrators should be broadened, and there should be greater mobility between the Civil Service and other occupations. Fifthly, administrators should undergo a more systematic course of both theoretical and practical training, in the development of which one or more universities should actively participate at a post-graduate level.

4. The important subject of administrative education is treated in the second part of this memorandum. The other proposals will be briefly outlined in this part.

(I). Administrative Specialisation

5. It has often been pointed out (and rightly so) that the general administrator is himself a type of expert, whose special knowledge relates to the working of the governmental machine. However, the nature of this expertise is clearly changing. When government was a simpler matter, administrators were mainly concerned with helping the Minister with the conduct of parliamentary business, the preparation of legislation, financial procurement and control, and the general oversight of departmental work. Under modern conditions, departmental work is becoming more complex and specialised. More decisions have to be made, more information assembled, more expert inquiries put in hand, more interested bodies consulted. Each major department is the focus of attention for a specialised public having its own needs, demands, and opinions.

6. These developments cut two ways. On the one hand, the need for inter-departmental co-ordination becomes stronger than ever, and its requirements more taxing. Thus general administrators who have had experience in several departments are an asset for holding the system together, and for spreading an understanding of the interrelated aspects of governmental business. On the other hand, however, a proper mastery of each department's tasks and problems also becomes more exacting, and more necessary for the effective discharge of departmental work at higher levels.

7. There has been a good deal of stress, in the Plowden Report and elsewhere, upon the advantages of planning the careers of able administrators and ensuring that they get a broad experience of the work of different departments. Analogies are sometimes drawn with the careers of managers within the private sector. However, the governmental system is so much vaster than even the largest private firm that one doubts the worth of such analogies. In point of fact, most industrial managers reach top posts through relatively specialised career routes in which their contribution to the work of the company is gradually consolidated and

broadened. Given the positive part which many departments now play in directing a broad area of operations, it may be that the nearest analogy to a private company is a single department, or group of departments, rather than central government as a whole.

8. The British system puts considerable stress upon horizontal links at the expense of vertical links. Mobility between departments enables administrators to develop enough of a common view to moderate sectional rivalries and differences of opinion. This has its advantages but it is not offset by any equivalent experience of the work of local authorities, public boards, and other bodies which the individual department controls and directs. This defect is accentuated by the fact that the Minister is himself often a novice in the affairs of the department for which he is responsible, and holds his office only for a short period. He is heavily dependent upon the advice of his chief permanent official, whose knowledge of the department's affairs is usually greater but still limited.

9. The participants themselves seem agreed that the relations between a Minister and his chief administrative official are usually close and harmonious, and marked by mutual trust and understanding. However, harmonious working is no proof that a system gets good results. At both political and administrative levels, the system puts a premium upon breadth of experience, flexibility of attitudes, ease of relationships, and smoothness of decision-making: but it does not place the same value upon close knowledge and experience of some particular field of governmental activity. The danger of excessive departmental loyalty or commitment also seems to me to be often exaggerated. Narrow attitudes are primarily the result of deficiencies in the education and training of administrators which can be remedied.

10. In practice of course many administrators, other than those who reach the top, spend their careers within a few related departments. There is a certain amount of *de facto* specialisation, and there are obvious drawbacks to making the system at all rigid. However, it would be an advantage to relate an administrator's special experience and training (which are subsequently discussed) to his subsequent responsibilities.

11. For example, an administrator in the Ministry of Education could with advantage have seen some service in a local education authority, and have taken some special studies in educational or social administration. An administrator in the Ministry of Power should preferably have had some direct experience of a nationalised industry, and have studied the economic, social, and managerial problems of those industries.

12. These goals could be obtained if administrative service were divided into certain broad areas of operation: such as social services, nationalised industries, the private sector, science and technology, and administrative management. These broad specialisations ought not to be sharply separated: it should always be possible to step across their boundaries for good reasons.

13. Within this framework the Treasury would continue to hold a watching brief over the careers of administrators. The tasks of personnel management

and financial control would fall within one of the broad administrative specialisms for which appropriate training and studies would be provided. As now, officials with the requisite skills would serve as financial and personnel officers in the departments.

(2). *Horizontal Integration*

14. Departments have become increasingly involved in directing the work of local authorities and public corporations, and pursuing overall goals in conjunction with these bodies. This involvement now extends well beyond the maintenance of routine checks upon financial probity and administrative efficiency into a close concern with the quality of services, the selection of projects, and the technical efficiency of methods of provision. Whatever changes may be desirable in the mechanisms of central control, it is hard to believe that this general trend will be reversed. While greater clarification of national policies could reduce the need for some specific controls, this development would only emphasise the case for a more systematic appraisal of overall needs and goals, and a more scientific study of the means of accomplishment.

15. It mattered less that departmental administrators viewed affairs always from the perspective of the centre, when the controls which they exercised were limited and generalised. If, however, these administrators are to immerse themselves more in the ways and means of achieving specific results, it becomes desirable that they should acquire some knowledge of how their interventions appear from the receiving end.

16. It is true that some administrators spend periods in departmental regional offices and thus acquire some field experience (although still from a departmental viewpoint). The regional activities of government departments have recently expanded, but regional service is still a very limited part indeed of administrative careers. Moreover, the probability of a reform of local government structure that will create larger elective local authorities means that part of this regional departmental activity may be rendered unnecessary.

17. Thus one comes to the view that some system of interchange of administrators between government departments on the one hand and local authorities and public corporations on the other is now desirable. Obviously there are drawbacks to such an arrangement. The existing clearcut distinctions of service emphasise the specific loyalty which an administrator owes to his particular employer, and assist a differentiation between national and local (or public enterprise) viewpoints which has its value. Against this it is mistaken to stress differentiation of functions and loyalties too far when a close working partnership (particularly in relation to local authorities) has become the reality.

18. There are many ways by which such an interchange of administrators might be effected. The fullest application would be the creation of an integrated public service covering a distinctive sector of administration, such as education, health, transport, power, etc. All employees, whatever level of government they worked for, would be appointed to this integrated service. Another approach would be to foster mobility between the various levels of government,

through providing contracts of employment for a limited period and stipulating that service at one level should count as a qualification for service at another. A third possibility would be to require all national administrators to spend a period of service, preferably at least three years, within a public corporation, local authority, or other "outside" organisation: this service might normally be done soon after entry, but in some cases it might come better at a later point of an administrative career. There are of course other possibilities too.

19. The choice between these arrangements could depend upon a more detailed assessment of the possibilities, and of the reactions of the various interested bodies, than I have been able to undertake.

(3). *Departmental Planning*

20. Considerable stress is laid upon the role of senior administrators as the confidential advisers to Ministers on policy, and the concentration of advisory and executive functions in the same officials helps to secure that the advice given is realistic and that decisions are taken promptly. However administrators themselves are far too busy with current business to think systematically about departmental programmes and policies, while it cannot be said that they always appreciate the questions which could be profitably investigated. Much of the statistical and informational resources of departments are underused or wasted because they are not properly harnessed to the tasks of policy appraisal and long-term planning.

21. This inadequate attention to adequate thought and investigation as a preliminary to action which was pointed out almost fifty years ago by the Haldane Committee still exists in the more taxing conditions of today. Illustrations could be given. For example, the Ministry of Agriculture, Fisheries, and Food has disbursed over £300 millions to farmers in most years since the war, by way of a great variety of price subsidies and direct grants, as well as providing numerous regulatory, advisory, and technical services. No departmental survey has ever been attempted of what these various agricultural services actually accomplish, and of how each individual measure relates (or should relate) to general objectives. Similar comments could be made about the Board of Trade's control over industrial and office location, for which no analysis of the objectives, methods and problems has yet been produced. Again it has been shown that the Ministry of Housing and Local Government assembled or utilised basic data essential to its housing programmes.

22. In recent years planning units have been created in some departments, but there is a tendency to identify policy planning too narrowly with the provision of professional economic advice, and the degree of attention given to long-term planning is still very limited.

23. Administrative attitudes in Britain lay too much stress upon co-ordination as opposed to planning. Obvious inconsistencies between departments can be ironed out fairly smoothly, but the positive co-ordination of efforts necessarily depends upon frequent reviews of the interacting effects of numerous programmes. Such results do not necessarily depend upon the control of some powerful

co-ordinating Ministry, since departmental planning is at least as important as central economic planning and is indeed necessary to it.

24. The creation of a planning unit within each principal department would provide most desirable assistance for the administrator in his role of policy adviser. The staff of each unit should be drawn from persons with a variety of skills, including administrators themselves, and it would work under the joint guidance of the chief officials (both general and specialised) within the department. This arrangement would not greatly alter the present responsibilities of administrators, but it would reinforce the need for strengthening their educational equipment so that they could fully understand and contribute to the work of departmental planning.

(4). Recruitment

25. The Treasury's proposals¹ for the integration of the lower grades of the administrative class with the higher grades of the Executive Class appear sensible. It is clear that there are anomalies in the present system of grading, and that more graduates need to be recruited for posts at present filled by the Executive Class.

26. However, the Treasury's proposal for a two-stream entry, whereby the better graduate recruits would follow careers similar to those of a present Assistant Principal and the less good ones would go to posts akin to those of an executive officer, seems liable to defeat the aims of their first proposal.

27. I am doubtful of the capacity of the selection procedure to distinguish adequately between the claims of successful entrants. Given that selection is based upon general tests of intelligence and character, and not in any way upon particular knowledge and experience, it becomes difficult to assess closely how recruits will perform under the actual conditions of administrative life. This is not a criticism of the selection tests used, which are skilful and imaginative.

28. It seems to me that at present the difference between a successful and unsuccessful candidate for the Administrative Class is a matter of very nice judgment indeed, and I believe that many candidates are being turned down who would in fact make good Civil Servants. There are also those who do not enter the competition because they judge their chance of success to be too small or who are still deterred by their "Oxbridge" image of the qualities required.

29. The desirability of broadening the basis of administrative recruitment, so as to get a wider diversity of educational and social backgrounds, is widely acknowledged. I am not sure that this can really be done unless both a larger intake of graduate recruits is accepted and the recruits start off their careers upon essentially the same terms. While this arrangement might be disappointing to a few of the brightest candidates, one has also to consider the tonic effects of widening the area of recruitment and dispelling the kind of Civil Service image which is bound to arise (however fair the selection procedures) when in fact successful candidates are drawn from a rather limited range of backgrounds.

¹ Memorandum No. 1.

30. The Administrative Class also suffers at present from perennial shortage of personnel. The consequences are serious, not only for getting work done, but also for developing the patterns of outside secondment and more extensive training which are so desirable for improved performance. While valuable efforts are being made to broaden the basis of recruitment, these are liable to be vitiated by over-anxiety over maintaining standards of entry. Thus there may be rather too much stress upon the general quality of recruits (important as this is), as against the improvement in performance which fuller education and field experience could bring about.

(5). *Relations with Specialists*

31. This paper does not attempt to cover the relations between general administrators and various types of specialist, but a few points are necessary. In general I believe that the type of integrated structure which has been developed within the Ministry of Transport and elsewhere represents an improvement and should be extended to other departments where practicable. It seems likely that some specialised classes will play a more active part in administrative decisions than is at present the case.

32. An alternative or additional policy often suggested for making the Civil Service more expert or "scientific" is to encourage the transfer of specialists into the Administrative Class. I believe this to be less satisfactory. A weakness of the British Civil Service is excessive differentiation of roles. The administrator is conceived as a generalist without any particular knowledge (save of government machinery), and the specialist as an expert in some particular matter. Yet administration increasingly requires a convergence of roles. As this paper argues, the administrator ought to have more knowledge of the matters with which he is dealing (a point taken further under Education). Conversely the specialist, as he rises towards the top, often becomes generalised in the sense that he must relate together a number, often a large number of particular specialisms. Thus in advising on urban development, the Chief Planner in the Ministry of Housing and Local Government must marshal expert contributions on such subjects as housing, water supplies, land use, transportation, industrial location, etc. This is equally true of the position of senior specialised advisers on defence or industrial development.

33. Under these conditions it seems to me that progress lies in improving the contributions of both partners (generalist and specialist), rather than in introducing more specialist talent into the higher grades of the administrative class as a means of bolstering up that class's traditional position. The Civil Service of the future should be less formally hierarchical, and more closely integrated in its procedures. This integration will occur both in the field of administrative operations and also in that of policy planning and advice. The idea of a top-level groups or "cabinet" of senior advisers (both administrators and specialists), who would meet together regularly and upon whom the Minister would call for advice, needs to be recognised. The departmental planning units already advocated would work under the guidance of such top-level groups and of Ministers themselves.

34. These developments will enhance the status of many specialised classes. It becomes important that the Administrative Class should retain a satisfactory career structure leading to top positions. If the idea of field service for administrators in the public corporations and local authorities is accepted, then the administrative class will be taking on additional work in new directions. In doing so the members of that class will also be increasing the contribution which they bring to the higher levels of decision-making. It is vital to successful recruitment that enough top posts should come within the normal expectations of those recruited: more vital, I suggest, than that quick promotion up the early stages of the ladder should be anticipated.

35. Thus the Administrative Class of the future would share its present functions of advice and decision-making with other classes to a greater extent than at present. However, the members of this class would follow systematic patterns of field experience and specialised education which would equip them to make a vital and distinctive contribution at the higher levels of governmental activity.

PART TWO

The Education of Administrators

36. Assuming that a class of general administrators will continue to exist, a crucial question is the education and training which these administrators should receive. A familiar starting-point for this discussion is the striking contrast between the concepts of administrative education held in Britain and France. This contrast does indeed serve to illuminate the essence of the matters in dispute,

37. The French administrator is sometimes described as a "social scientist in action". Prior to admission to l'Ecole Nationale d'Administration, his university education will normally have been concentrated in the social science field. His entrance examination for the E.N.A. requires knowledge of such subjects as modern history, political institutions, and economics, which are considered particularly useful for the public service. At the E.N.A. he will carry these studies further, at a more applied level, so as to enlarge his knowledge of economics, international relations, politics, law and administration. Combined with his attachments for field service, he will enter the public service possessing a fairly comprehensive understanding of the characteristics and functioning of modern societies.

38. By contrast, the British administrator is still selected for general qualities of intelligence and character. His university degree will often be in a sphere of knowledge quite unrelated to his subsequent work, and one might add that the ignorance of successful candidates about elementary aspects of the public service (which they are about to enter) is sometimes surprising. It has long been a point of pride within the Service that administration is then learnt pragmatically on the job; just as there are no pre-entry requirements about specific types of knowledge, there is also no post-entry course in the social sciences comparable to that provided by E.N.A. The pragmatic tradition has certainly been modified by the creation of the Treasury Centre for Administrative Studies, by the 20 week

course these provided for Assistant Principals (primarily in economics and statistics), and by subsequent Treasury courses in management. However, these arrangements are much briefer and narrower in scope than the French post-entry arrangements, even though they have no common basis of university education on which to build.

39. This now oft-made contrast raises three important questions. First, is it the case that general knowledge of modern social science is especially useful for administrators? Second, what branches or combinations of subjects in this field are of particular value? Third, at what point in the administrator's career and by what methods are the chosen subjects best taught?

40. It is plain that a full answer to these questions would require a most lengthy dissertation. However, several considerations can be singled out to point the direction in which answers should be sought.

(1). The General Utility of the Social Sciences for Administrators

41. To most observers this utility is self-evident and need not be demonstrated in detail. A systematic knowledge of social structure, political institutions, statistical methods, applied economics, etc. would seem of obvious benefit to public administrators. A simple view might be that the more the better of these types of knowledge.

42. Plainly the issue is not so simple as this. Other types of academic study, such as mathematics, philosophy, or science, provide an intellectual discipline which may be quite as valuable to the administrator as the study of empirical subjects more closely related to his profession. Such disciplines as classics and history provide a cultural breadth and perspective which can also be valuable to him.

43. If all administrators were to have the same type of prolonged education in the social sciences, a danger of intellectual inbreeding and arrogance would obviously arise. Their shared conviction of being expertly informed over social and economic questions must tend to create a certain barrier between them and the public they serve. While the quest for a "representative bureaucracy" is elusive and possibly mistaken, it is plain that there are drawbacks to the existence of either an intellectual or social administrative *élite*, or some mixture of the two. Whether or not these dangers are realised in France, their possibility gives pause for thought.

44. These considerations support the merits of one part of the British approach to administrative education. British administrators are not intellectually inbred or arrogant. The principle of recruitment of graduates from all and any of the academic disciplines does help to secure a catholic intake of able people having different qualities to contribute. There seems no reason to believe that those with a degree in the social sciences have made better administrators than those with other qualifications. (Some observers would assert the opposite.) It is the view of many informed commentators that the system would work better if the intake was as catholic in practice as it is in theory, for example through attracting

more scientists and also more graduates from "redbrick" universities. I would very much share this view.

45. Nonetheless the case for a greater knowledge by administrators of the social sciences remains very strong. The conclusion to be drawn is that this education can be best provided, for administrators as a whole, at a post-graduate level after the taking of a first degree. Moreover this conclusion squares with the character of the social sciences, in which causes are often found to be complex, and multiple, and coherent intellectual systems hard to construct. Indeed the more logically pure and rigorous branches of social science are often faulted for their inapplicability to actual conditions. It is noticeable, I think, that many graduates trained in quite different disciplines prove as capable of thinking effectively about social or economic subjects as do those with directly relevant qualifications.

46. The general case for study of the social sciences is much reinforced by certain characteristics of modern administration. The more "positive" character of modern government, and its attempt to influence or control complex social processes in a quite detailed way, means that the administrator needs to harness all relevant intellectual tools. At the same time, the general administrator's capacity to understand the scientific and technological aspects of public action has regrettably declined. His very inability to step far into such specialised fields makes his ability to comprehend the social and economic consequences of science more crucial. It is at this point, where informed evaluations must be made, that his contribution should be strengthened.

47. It is, for example, unrealistic to suppose that administrators can vie with experts in assessing the technical feasibility of supersonic airliners. What the administrator should be able to do is to think systematically about the economic and social consequences of such inventions, and to know what further information is required on these points. In the case of such inventions as the Concorde, adequate appraisals of this kind do not appear to have been made.

48. Indeed British administration is definitely weak in its methods of social and economic appraisal. Too often decisions appear to be based upon a mixture of scientific or specialised advice with factors of organisational and political acceptability. The middle ground of appraisal is missing.

49. To give one example, the public inquiry into the Stansted airport proposal illustrated these defects. This governmental proposal was based upon investigations which paid considerable attention to technical factors of air safety and routing, but hardly any attention to other matters beyond the crude requirement that the site had to be within 60 minutes travel of central London. (The public inquiry showed that even this point has been most inadequately investigated.) There had been no analysis of the origins and destinations of passengers using London airports, and of likely changes in these patterns. There had been no consideration of how the airport site would relate to the future pattern of development within the London region. There had been little thought about the division of air traffic between terminals as part of a coherent long-term plan. It is true that the Minister has the opportunity of changing his mind or of instituting fresh

investigations after the public inquiry: yet the inquiry was supposed to deal primarily with local objections to the project, and considerable time and money could have been saved if a more adequate case had been made out.

50. Public inquiries serve the useful purpose of exposing administrative inadequacies of this kind. Administrators themselves could hardly have answered the problems raised by a major airport project: but if they had been alert to ask the right questions, they could have set in train more specialised studies, and they could have got the technical experts to think harder about alternative possibilities.

(2). The Particular Utility of Social Sciences to Administrators

51. The work of the Treasury Centre for Administrative Studies deserves high praise. Its teaching methods appear admirable. Its concentration upon the teaching of quantitative techniques corresponds to an obvious and dangerous gap in the administrator's equipment, which will now be partly remedied.

52. Nonetheless it is possible that the Centre's approach is unduly one-sided. Social studies not only provide a necessary antidote to the excesses of technical specialisms, but they are also mutually corrective. A quick intake of quantitative techniques itself carries a certain danger that the variety of social causation will be overlooked through ignorance of related disciplines, and even that the process of quantification itself will be unduly exalted.

53. Again an illustration may be offered. The problems of urban growth can be quantified most easily by making population projections, assessing housing and other demands, and comparing the costs of different forms or "packages" of urban development and renewal. The making of such calculations is very useful, but the results are likely to be misleading if attention is not also paid to geographic and sociological factors that are less capable of quantification. To give a simple example, a calculation of development costs may show the desirability of a higher volume of housing "overspill", but this conclusion might be partly negated if attention were paid to factors of social structure.

54. Social behaviour is always complex. When a measure of rent decontrol was introduced during the 1950's, it was expected that a more economic use would be made of existing house-space and that the availability of rented accommodation would be improved. Neither of these expectations was realised, because older people with room to spare proved very reluctant to move house when rents increased and because sales for owner-occupation further depleted the size of the rented sector of housing. Prior investigation of social attitudes and behavior, and fuller analysis of the different interrelated parts of the housing market could have helped to avoid such mistakes. But such things are unlikely to be done unless administrators see the need for them.

55. General administrators need to take account of the opinions of interested or specialised groups, and of the findings of expert advisers or consultants. The essential point again is that a deeper understanding of social and economic processes cannot but be beneficial for the work of eliciting and co-ordinating the necessary advice. If the administrator's approach is superficial, he will be unaware of the missing elements in his evaluation of the situation.

56. Clearly administrators cannot be trained, at the graduate level, in all relevant academic studies or disciplines. Some basis of selection is necessary. Certain subjects such as statistics may perhaps be judged indispensable (up to a certain level) for all administrators. At the other extreme the administrator's choice of some subjects should depend, if earlier proposals in this document are accepted, upon his general field of intended specialisation. For example the administrator who will deal with trade and industry has particular need for economics, while the one destined for the social services requires a knowledge of social structure and sociology.

57. It remains desirable that administrative studies should have a backbone of common courses taken by all. These should be fairly broadly spread, and should cover such subjects as economics, sociology, and administration itself. Necessarily the ground covered would be limited. This limitation need not matter so long as the subjects are taught not as elaborate and self-contained academic disciplines, but as related fields of systematic investigation which can offer helpful insights to the practising administrator. The whole course should be oriented to the needs of administration itself, not in a sense which rules out free inquiry and speculation, but in the sense that the objective is less a full academic mastery of particular disciplines than an appreciation of their possible contribution to administrative tasks. The lines here are subtle and difficult to draw with precision—one must not be too pragmatic—but the sheer impracticality of a comprehensive academic knowledge of relevant subjects ought not to stand in the way of much fruitful learning.

58. In this connection I would enter a plea for recognising the value to be gained through administrators studying administration itself. It is certainly true that a theoretical knowledge of administrative systems will not of itself turn a man into a good administrator: and also doubtless true that much of the work of administration can only be done well through practical experience of trial and error.

59. However, a man can and should become a better administrator if he understands the system he is working, if he learns to compare it with other systems (and where profitable to learn from such systems), if he analyses administrative precedents and attitudes, and if he knows what is meant for example, by bureaucratic dysfunctions and when and why these are liable to arise.

60. It may be said that such knowledge is all very well for an Under Secretary (who, however, may be past wishing to acquire it), but is dangerous tinder in the brain of an Assistant Principal who may become an immature reformer. But most young men are immature reformers, and it is better that they should have some stuffing behind their zeal.

61. In any case much depends upon how the subject is taught. If studied in an objective and comparative way, these objections should not apply. A particular reason for urging that administrators study administration is that it is an essential flywheel (in their case) for grasping the implications of other subjects. If, for example, economic policies are under discussion it becomes important to know how the machinery of economic planning actually works in various countries, and in what manner it transmutes general aims into particular decisions, and vice versa. In holding to this view, I am fortified by the opinion of such a

distinguished public servant as Sir Maurice Dean, that he wishes he could have studied administration when he entered the service.

(3). *The Precise Location of Administrative Studies*

62. The aims set out in the two previous sections could be realised quite simply by extending the functions of the present Treasury Centre. The courses provided by the Centre could be lengthened and broadened, so as to give administrators a much fuller grasp of relevant knowledge and techniques. They could also be combined with periods of field service in local government, public corporations, etc. as one way of meeting the objectives set out in Part One.

63. In brief the Treasury Centre could be converted into an institution closely resembling the French E.N.A. On my analysis there would be two differences. The first one is that many of the entrants would not (as in France) have prior knowledge of the subjects to be studied, so that a somewhat different approach to teaching would be necessary. The second difference is that administrators completing the course would be posted not according to the level of their performance (with the most brilliant men going to the most prestigious corps or departments), but according to their choice of a broad area of specialisation, e.g. social services, industrial affairs, etc. This device would modify the excesses of competitive elitism, and also improve the qualifications of administrators for their actual tasks.

64. However, this picture of an enlarged Treasury Centre or "British E.N.A." leaves out one important factor: the role of the universities. Under the system proposed, British universities would (as now) play no special role in the pre-selection education of administrators: are they also to play no particular part in the subsequent education of administrators, save to the extent that they may contribute part-time teachers for the Government training centre?

65. I believe that this outcome would prove disastrous, in both an intellectual and an institutional sense. Whatever their failings, the universities are indispensable to the intellectual development of any field of studies. I do not believe that a government centre could develop a satisfactory post-graduate course of "social sciences for administrators" without an active flow of ideas, research, and teaching in this field emanating from at least one university.

66. This goal requires much more than the participation of university teachers in guiding and assisting Treasury-directed courses. It requires that universities make their own distinctive contribution to the task through acting as a focus of research and education for what is essentially a new field of endeavour. It is only in this way that the work of administrative education will be infused with the necessary intellectual vigour, freshness, and prestige that can sustain it permanently. Without such university support, I believe that a more ambitious Treasury educational programme (should it be adopted) could easily become inbred and ineffective, and even fail altogether through lack of necessary intellectual nourishment.

67. It is plain that no British university is equipped to undertake this task at the present time. Academic departmentalism and fragmentation means that,

while universities have many particular courses to offer which could be of service to administrators, no unified programme is available which could meet the requirements that have been sketched. The needs of post-graduate administrative education are so broad and so original that the only feasible approach to their satisfaction is through the creation, in one or more universities, of a graduate school or centre especially devoted to administrative studies in all their ramifications. Such a graduate school could of course draw upon the general resources of the university in question for purposes of teaching, study, and research: but by providing a distinctive focus of intellectual activity, it would harness and develop academic resources for the benefit of public administration.

68. An analogy which is somewhat to the point is that of the new business schools attached to Manchester and London Universities. Doubtless the techniques of management which can be learned in these places are of great potential benefit to public administrators as well as to managers in the private sector. Yet I see considerable dangers in the plausible and now fashionable view that what the Civil Service primarily needs is "better management", which is then coupled with the further assumption that management is essentially the same in both public and private sectors. These theories have never been closely applied to an examination of what Civil Servants actually do and will be expected to do. Such an informed observer as Sir Richard Clarke has pointed out that the record of government departments over matters of routine management appears reasonably good, and certainly the Civil Service defects which must catch the eye of the Comptroller and Auditor-General and of the parliamentary select committees occur over matters which usually have no precise equivalent in private business.

69. It would be impracticable to list here all those matters which distinguish the tasks of the Civil Service from those of private business, but the following may be considered relevant.

- (a) Government disposes of coercive powers which do not arise in the private sector.
- (b) Partly for this reason, administrative decision-making is bound by rules of consultation, objection, and appeal which have no parallel.
- (c) Management accounting cannot be applied within government (unless in very modified form) to yield tests of efficiency.
- (d) Government undertakes or sponsors speculative ventures in defence and technology which have no close equivalents.
- (e) While business management is strongly orientated to market innovation, public administration can be said to be more concerned with "market compression"—with the limitation of demands which cannot all be met.
- (f) Government co-ordination of economic action occurs at a much higher level, yet in more limited form, than is true of decisions made by top managers of even the largest firms.

70. One could prolong this list: but one only needs to consider these differences to wonder at the lack of attention which has been paid, in Britain, to systematic study of public administration. The distinctive problems of public administration are surely more complex and quite as important as those which concern

private business, yet they are getting much less attention at the higher levels of university research and education.

71. One can contrast the position in other countries. In France the education provided for public servants in the universities, technical schools, and E.N.A. has great prestige and sets the pattern also for the education of managers in the private sector. In the U.S.A., where a "business mentality" is said to rule and where many top officials are in fact temporarily-appointed businessmen or lawyers, it is nonetheless the case that a number of distinguished post-graduate university schools or institutions exist, where research is done and where Federal Civil Servants and others go to study.

72. An example is the Littauer School of Harvard University (where I have been myself). The work of Littauer is administrative studies, but the phrase is not narrowly interpreted. Contributions of economists, lawyers, political scientists and others are brought to bear on such subjects as the control of monopoly, the planning process, public finance, agricultural administration, etc., and it is my impression that the Federal Civil Servants benefited considerably from a variety of relevant courses, which could be selected according to their particular career. It is true that the most beneficial point for taking such courses probably occurs when the administrator has had some practical experience. The point is that no university provision occurs in Britain of equivalent quality or intensity.

73. It seems to me that the British Civil Servant is loath to take advantage of even such university courses as exist. With Government encouragement and backing, special courses have been created in a number of British universities for serving officials from "underdeveloped" countries. It is a point of observation that some of these officials have already received at least as sophisticated or relevant an education as British administrators, yet it is presumably anticipated that they will profit from post-graduate administrative studies, while British administrators have nothing comparable to learn. It is a little hard to understand the basis for this distinction.

74. As a minor personal illustration, I add that we have recently started an M.Sc.(Econ.) degree in public administration at the London School of Economics. At present this course is almost entirely taken by students from the U.S.A., Canada, India, etc. It is true that any graduate selected for the British Civil Service could apply for temporary postponement of appointment in order to take such a course: but there is no incentive for him to do so since the course makes no contribution to his career (if already appointed) nor does it rank in any way as a qualification for appointment. The chosen or aspirant Civil Servant is more likely to consider such a course a waste of time, although older Civil Servants have shown interest in taking the course on a part-time basis. By contrast, in most other countries, a Master's degree in administrative studies is viewed as a positive qualification for administrative recruitment and promotion; which explains why they attend such courses.

75. It is possible that the belief of other governments in the value of such courses is mistaken, and that administrators are not helped much by attending them. Certainly the particular course I have mentioned is narrower in scope than the type of administrative education which I have recommended. All the

same, one would have thought it worth while for the Treasury to send a few administrators to courses such as this and judge the results. One would particularly think this in view of the fact that the Treasury is paying (in one way or another) most of the cost for the facilities provided.

76. If a post-graduate School of Public Administration is established in some British university, what should be its relationship with the work of an expanded Training Centre?

77. I believe that the relationship should be close and flexible, the two institutions being necessary counterparts. The university school would carry out research that would have value for the Treasury Centre and it would provide many of the teachers which the Centre would need for its extended post-entry course. Some of the teaching for this course might also be provided by the university. At a later stage of the administrator's career, a different relationship would develop. After about ten or twelve years' experience, the administrator would attend the university school for a period of perhaps six months, in order to take more advanced courses which had particular bearing upon his enlarging responsibilities.

78. I believe that a period of further study of this kind, at a critical point in the administrator's career, would be of the greatest value for freshening his approach and keeping him in touch with relevant academic thinking about his particular sphere of operations. At present there are opportunities for administrators to take leave for individual studies, but this is too much of a "lone wolf" arrangement to be generally desirable. It has on occasion led to able pieces of research by individual administrators, but it does not enable the administrator who has long left university to become systematically acquainted with relevant intellectual developments. When one notes the enormous annual output of literature and research which is relevant to each main sphere of governmental action, it is plain that the working administrator cannot begin to keep abreast of the material. A university institute is the obvious place to collate material of interest to general administrators, and to put them in touch with more specialised fields of interest to them.

79. It may be said that the proposals for administrative education here set down are rather ambitious. That, however, is merely a measure of the short distance which has yet been covered. It is plain that provision for administrative education and research lag dangerously far behind the level of responsibilities which are now entrusted to British administrators, and the performance which is expected of them. Given the importance of the jobs to be done, and the rapid acceleration of all forms of knowledge, it cannot be wrong that several years of the administrators' career (perhaps 5 per cent of the total) should be devoted, at appropriate intervals, to improving his intellectual equipment. I would note that the prestige of administrative studies in this country is dangerously low, partly because government itself has showed little enthusiasm for such studies, save as an export to supposedly less well endowed nations. It is my judgment that the situation can only be rectified through the joint efforts of Government and universities, and that such action needs to be hastened if public administration is not to lose its prestige and reputation for quality.

MEMORANDUM No. 148

submitted by

MR. I. S. T. SENIOR

*Executive, Liberal Party Organisation;
Assistant Principal, Post Office, 1962-67*

MR. E. A. FRENCH

*Lecturer, L. S. E.
Assistant Principal, Post Office, 1963 to June, 1967
Principal 1st-31st July, 1967*

MR. A. AXON

*The Economist Newspaper Limited, Latin American
Edition, Business Manager.
Assistant Principal, Post Office, 1965-67*

June, 1967

The Civil Service Pension System

Introduction

1. This submission deals with one aspect only of employment in the Civil Service: the pension system. We believe that the matter is important enough to be treated separately.

2. Our intention is to demonstrate

- (i) that the Civil Service pension system is *not* non-contributory but is partly paid for by Civil Servants;
- (ii) that the restrictions operated by the Treasury—notably on the question of transferability—are therefore indefensible;
- (iii) that the principle on which the present system is based is unsound because the pension earned by each individual does not reflect actuarially the contributions paid;
- (iv) and that therefore the system should be recast to provide an actuarially based, contributory, and freely transferable pension for Civil Servants.

3. Some of the views expressed are known to command a wide measure of support among members of the Association of First Division Civil Servants. In October, 1965 the Post Office Branch carried by a large majority a motion that a Civil Servant's pension should be contributory and transferable without restriction. In May, 1966 the annual general meeting carried unanimously a motion calling for a fully transferable pension system.

Argument

4. The Civil Servant pension is often referred to as non-contributory. There is even some misconception that it is free.

5. A Civil Servant's pay is based on the principle of fair comparison with jobs outside. When the Pay Research Unit has collected data about the pay and conditions of comparable work a Civil Servant's salary is fixed, but only after a reduction has been made to cater for the "non-contributory" pension scheme. Thus the contributions are deducted invisibly instead of visibly from the monthly pay cheque.

6. Because of the secrecy which surrounds the findings of the Pay Research Unit it is not possible to say by how much a Civil Servant's salary is reduced to allow for the "non-contributory" pension. What is known is that the cost of providing for the pension of administrative staff is now assessed as 18½% of current pensionable salary. It seems probable that the administrative Civil Servant's salary has been reduced by 5-10% against his entitlement under "fair comparison". The contribution he pays towards his "non-contributory" pension is very real for all that it is hidden by the system.

7. The invisible nature of the contributions is to the Civil Servant's great disadvantage. First, he cannot know whether he gets a good pension for his contributions because he does not know what his contributions are. Second, he can prove no right to his invisible contributions. If he leaves the Civil Service save under strictly defined circumstances and to a limited range of jobs his contributions are confiscated by the Exchequer.

8. The non-transferability of the pension is not the only arbitrary restriction. A Civil Servant who takes up outside employment with permission must obtain Treasury approval before changing job, otherwise his frozen pension may be confiscated. He may not draw his pension even at normal retiring age unless he has given up other employment. And if his job is abolished or he is retired on grounds of inefficiency he loses his entire pension.

9. Such rules, which are by no means comprehensive, may be explicable in historical terms, but their continued existence in an Act passed as recently as 1965 is incredible. We suggest that they should be abandoned.

10. It might be suggested that the Treasury must continue to restrict the transferability of pensions in order to prevent a mass exodus from the Civil Service. If this is right it seems likely that those who want to leave do so because they would earn more outside. Thus their output, measured in money terms, is being deliberately suppressed. This by definition constitutes a restrictive practice.

11. If a mass exodus is being dammed only by the non-transferability of the pension it would seem more constructive to look for the root causes of dissatisfaction. But from experience we do not believe that there would be a significant exodus if the Civil Service pension were made fully transferable—most Civil Servants are content in their work.

12. The Government must face, as an increasingly large employer of labour, the logic of its position. Either the non-transferable pension is preventing people from leaving the Civil Service, in which case this constitutes a restrictive practice. Or it is not, in which case it is unnecessary.

13. At this point it is worth noting that the 1965 Superannuation Act gives the Treasury powers to define any job as a "public office" or as "approved employment" for the purposes of the Act, and to make transfer payments out of the Exchequer. There is thus no statutory bar to the immediate introduction of full transferability. Onus for the present restrictions therefore lies with the Treasury acting on behalf of the Government, and not with Parliament.

14. The simplest and best way in which the Civil Service pension system could be put on a rational footing would be to make it contributory. Full transferability—which includes transferability of the employer's contributions—would be the logical concomitant. In constructing any new pension scheme it would be essential to start from the premise that pension contributions, whether employee's or employer's, are simply compulsorily deferred pay. Thus it is only just that each pensioner should enjoy precisely the pension that actuarially he has paid for.

15. Under the present system the pension is calculated on a slide-rule formula which takes account of years of service and final salary. While superficially this may seem just, it is not so. The Annex shows that two men can pay very different sum of contributions for the same pension. Similarly the same sum of contributions may buy differing value pensions.

16. If the total pension scheme is self-balancing it follows that some pensioners are subsidising others. Given that contributions are compulsorily deferred pay, this is indefensible, particularly as it is those who are promoted furthest who gain at the expense of their less successful colleagues. Put bluntly, there is no case for the rich being subsidised by the poor.

17. We suggest that the only just solution is that a system be introduced such as that of the university teachers. In such schemes pension contributions become the premiums on a life-insurance policy which matures upon retirement and is thus available to buy a pension in the form of an annuity.

18. We recognise that the slide-rule system has the merit of being a little easier to understand in the first instance. But we suggest that, as people become increasingly sophisticated in money matters, so a pension scheme which involves cross-subsidisation will become unacceptable.

Conclusion

19. The fashionable cry today is to modernise, to abandon restrictive practices. The complexity of the Civil Service pension system enshrined in a 120-clause Act is an archaism founded on the principle that the pension is not earned but is given by a benevolent State—providing that the rules are obeyed.

20. That a Civil Servant's pension is paid for by invisible contributions is beyond doubt. The case, therefore, seems clear for paying as of right to those who work for the State, whether for life or for a period only, the pension they have earned; no more, no less. A contributory, fully transferable, and actuarially based pension scheme should replace the present tangle of complexity, anomaly, and injustice. A Government which calls on others to modernise and abandon restrictive practice must first set its own house in order.

ANNEX

The following example shows how under a slide-rule pension scheme two men get an identical pension for different sum contributions. For clarity simplified data has been used. No allowance is made for interest or for the falling value of the £ as these do not alter the conclusions.

Assume

- (i) pension calculated as $\frac{1}{80}$ of final salary for each year of service;
- (ii) pension contributions paid @ 10% of current salary;

Example

Mr. A works for 30 years at a salary of £2,000 p.a.

$$\begin{aligned}\text{Contributions paid} &= \frac{\text{£}2,000 \times 10 \times 30}{100} \\ &= \text{£}6,000\end{aligned}$$

Mr. B works for 30 years. He starts at a salary of £100 p.a. which increases by straight line progression to £2,000 p.a. in final year.

$$\begin{aligned}\text{Contributions paid} &= \frac{\text{£}2,000 + \text{£}100}{2} \times \frac{10}{100} \times 30 \\ &= \text{£}3,150\end{aligned}$$

Therefore

Sum pension contributions of £6,000 and £3,150 respectively buy Mr. A. and Mr. B an identical pension of £750 p.a.

MEMORANDUM No. 149

submitted by

A SENIOR EXECUTIVE OFFICER

October, 1967

I understand that it is in order for a Civil Servant to offer his own comments, in confidence, on matters being considered by your Committee. On this understanding I am therefore writing to you as a senior officer of the Executive Class who entered the Service pre-war. Because my career has been almost exclusively in one Department, my remarks may not be generally relevant. They do, however, represent the views of many colleagues in this Department.

1. We have a very clear impression that in the Administrative Class the formulation of policy and the determination of the broad method of attacking a problem are decided with an insufficient eye to the real and practical needs of the situation, despite the fact that many administrators have a great deal of ability. There are several reasons for this.

- (a) To a large extent the "direct entry" administrator cannot have the proper background for taking major decisions involving practical consequences unless he has experience of practical work, including management of staff. This sort of view has already been put to you by various bodies and need hardly be elaborated.

It may, however, be only fair to say that some of the higher Executive ranks, despite their practical experience, may also advise or support the wrong developments because they take less account of the real need than of their own advancement, which, for example, the wrong scheme may in fact boost through a large expansion in staff. This sort of person is in fact dishonest and sometimes unscrupulous—and is found at all levels and not only in the Civil Service. His existence therefore has no real bearing on the problem of the direct entry administrator who has had no opportunity of getting experience of the practical or "executive" side.

- (b) As an alternative to personal experience the administrator might profit from the advice of his Executive staff on practical matters; but generally there is insufficient personal contact between Administrative and Executive Classes—or alternatively the consultation seems more a matter of form and bears no fruit. This situation does not make for easy working and creates dissatisfaction in the Executive Class, which sees things going awry that proper consultation might have prevented.
- (c) A major reason for (b) may be the fact that, in general, our administrative staff are grossly overloaded in this Department. Unfortunately, some

may feel obliged to put up with this because the overloading is not appreciated at Board level and promotion prospects would be spoilt by an admission of inability to carry the burden. Even more unfortunate is that those who suffer most from the overloading are the more able and conscientious who try to do a good job. The slick operators or incompetents may also apparently be overloaded but will avoid the effects on themselves by doing a superficial job and/or by switching the burden by indirect means to someone else—possibly the Executive Class.

Currently, one Assistant Secretary in this Department is responsible for four major areas of work (including major computer schemes) and two minor ones—in all a fantastic load which should require at least three Assistant Secretaries. In consequence, A.D.P., for example, gets 5% or less of the Assistant Secretary's time, and a general sense of frustration is apparent in this developing field, where constant contact at high level is necessary to ensure speedy and correct decisions on major developments.

- (d) With particular reference to the first paragraph of (a) above, where administrators are groping in the dark because of lack of practical experience, the dangerous "yes-man" thrives regardless of his knowledge or competence, and there is a greater tendency than in normal circumstances for some major decision to be taken with a view to pleasing superior officials rather than to doing the right job in the right way. If a suggested plan of action comes from a sufficiently high level, it is likely to be adopted, even if there are sound arguments against it. The counter-arguments will often not be advanced at all, or will not be pressed vigorously enough. Indeed they may not even be prepared in embryo. Even if there are two advisers, one "yes-man" and one very competent administrator armed with pertinent objections, the former is still likely to prevail where the plan has originated at the top and even if it is quite misconceived.

This sort of thing applies also to the higher grades of the Executive Class; the point is, however, that the damage caused is then generally less because this Class has less influence.

The "yes-man" is common in industry and commerce, but one would feel entitled to expect something better in the Civil Service, one place where ideas should be looked at on their merits, in the absence of the influence of commercial motives such as expansion and profit for its own sake. When in this situation ill-considered schemes are pressed forward, the fact that they work at all is due largely to the expertise of the Executive Class in making the best of an unnecessarily bad job.

- (e) The same unsatisfactory results flow from the tendency for certain administrative staff to be allowed to play a sort of musical chairs within their own Department, between that Department and others, and between the U.K. Civil Service and international secretariats of various sorts (e.g. U.N., E.F.T.A.). The rate at which some Administrative staff, for instance, have (a) moved around in this Department, and

(b) left it for other official jobs in the last few years is astonishing. Enquiries here would show the following recent examples:

- (i) one Assistant Secretary moving three times in two and a half years;¹
- (ii) another with two moves in about the same period—leaving the Department on the second move;¹
- (iii) both the Assistant Secretary and the Principal responsible for a major computer scheme being allowed to leave the Department within the same month.

One reason for this state of affairs is presumably still the old idea that an administrator can administer anything from the word "go", without "executive" experience; but the idea is becoming less acceptable with the spread of technically-biased methods such as A.D.P., and should in any case be subject to a normal minimum period in the saddle far in excess of a year or so, to enable experience of the job to produce dividends—whereas at present vagaries of personality are the major influence and cause unnecessary changes in the job. The only beneficiary in the game of administrative musical chairs is the "flyer" who is thereby enabled to acquire a veneer of experience and learn various types of jargon which enable him to make a good impression when seeking advancement—especially into another Department which may not be too familiar with the work of his present Department. The really conscientious and sound administrator is more likely to be left behind, with the Executive Class, to sort out the debris.

- (f) A further aspect of (b) is that the really brilliant administrator with a strong personality and an eye mainly to his own interests is in a very suitable position to manipulate developments to his own benefit, especially when these developments coincide with the dreams of his chiefs. In the computer field, for example, many Civil Service schemes are devised not on their own merits but with a view to creating a bubble of development on which some people will be carried up—but jumping off into different fields (at the new high level) before the bubble bursts, showering debris and confusion on those who cannot get away. Unfortunately, again, despite the lack of commercial pressures the Civil Service seems to do no better in this respect than commerce and industry, in which something like 50% of computer installations are continually being reported as grossly uneconomic and well out of line with the original forecasts. One would hope that the Service should be able to take a more detached view and do things properly.

2. With reference to (e) above, and by contrast, most Executive staff are denied the opportunity of advancement through officially advertised posts elsewhere because of the "exigencies of the Department". In recent cases A.D.P. staff

¹ This sort of movement must mean that the person concerned cannot possibly absorb enough about any field of work to do a useful job. In other words, once again, much of the functioning of the Department is really carried by the Executive Class, not with the help of the Administrative Class, but despite the confusion caused by continual changes in their staff, particularly those who, because they have the most influence, not only have a better chance of getting away but also create most difficulties by their leaving.

with 5 years' experience have been given to understand that a further indefinite period—probably several years—must elapse before they can be considered for release to posts elsewhere which would give early advancement.

The position for release of non-A.D.P. Executive Class staff is less difficult but is still very much more restricted than in the Administrative Class. If this is, as it seems, an indication of the importance of the Executive Class, reflection of this in salary scales would not come amiss. Instead, at present there is merely great resentment at the inequality of treatment.

3. It may be that this Department is exceptional in various ways. Indeed it seems that in non-Revenue-collecting Departments promotion prospects for the Executive Class are consistently very different from those in Revenue-collecting Departments—hence the administrative/executive set-up and working elsewhere may equally not be as depicted above. If so, this is a valid criticism of the Treasury grade system which should at least achieve reasonable similarity of prospects and practice in the various Departments *if the Treasury itself is doing the job which it alone is in a position to do.*

In this respect, an important issue is the need to consider close inter-departmental co-ordination of work and conditions in the new and rapidly expanding field of A.D.P. where for the first time serious inroads into Civil Service A.D.P. staff, particularly in this Department, are being made by commercial users who can offer far better terms than the normal conditions which the Department provides.

It is unsatisfactory and demoralising to be in a Department which says that special allowances for Programmers cannot be paid and then to learn, as we have recently, that another Department is in fact paying such allowances; and one would expect (quite wrongly) that this sort of difference would be the immediate concern of the Treasury.

4. In conclusion, a final comment on the hallowed belief that "administrative" staff are concerned with the theory of administration and "executive" staff with its practice. In the U.S.A. they talk only of "Executive"—up to the level of the President of the U.S.A.—and seem long ago to have realised that there is no divine right or special class of "administrators" and that the theory and the practice of administration go hand in hand to such an extent that they should be handled by a single body of people. Possibly this is one of the reasons for their swifter progress in many fields.

MEMORANDUM No. 150

submitted by

MR. TREVOR SMITH

on behalf of the ACTON SOCIETY TRUST

December, 1966

The Acton Society Trust is an independent non-profit making social science research institution. It is a Registered Charity and was founded in 1948 by the Joseph Rowntree Social Service Trust, from whom it receives continuing support. It depends, however, for most of its income upon covenants and donations from industry, and upon research grants for specific projects.

Trustees:

Sir Edward Boyle, PC., M.P.

The Rt. Hon. Lord Campbell of Eskan

Professor T. E. Chester

Edward Goodman

Walter James

John Marsh

Peter Masefield

W. G. McClelland

B. Philip Rowntree (*Chairman*)

Miss R. G. Stewart

Richard Wainwright, M.P.

William Wallace, C.B.E.

Director: Professor John Vaizey

Note:

The Acton Society Trust, which has conducted extensive research over the years into problems of administration, asked Mr. Trevor Smith, Lecturer in Political Studies in the University of Hull,¹ formerly a member of staff and a consultant to some of its research projects, to prepare this general Statement of Evidence on its behalf.

The Trustees are not personally committed to the views expressed by Mr. Smith, but they welcome this opportunity to enable one of their staff members to use the accumulated experience and expertise of the Trust, to throw light on a topic of urgent public concern.

I. Introduction

The Acton Society Trust is an independent research organisation and one of its main interests has been the study of the operations of governmental machinery at national, regional and local levels. In 1964 it supported a pilot survey of students' attitudes towards a civil service career which was undertaken by me at the request of the House of Commons Estimates Committee. The Committee's subsequent

¹ Now Lecturer in Political Science and Government, Queen Mary College, University of London.

report urged, *inter alia*, the appointment of a Royal Commission to review the working of the Civil Service. In continuance of its interest and in response to the Committee's invitation the Acton Society Trust has commissioned me to submit this statement on its behalf.

2. As Professor Mackenzie said in evidence to the Estimates Committee, any discussion of the Civil Service in Britain is severely handicapped by the paucity of research on the subject.¹ The lack of basic information has two results: it leads to the assumption that the work of the administrative class is uniform across all departments; and, also, it imposes a quality of bastard democracy on much of the discussion about the Civil Service since there is no firm basis for evaluating different points of view. Contributions to the discussion, therefore, rest upon an assortment of individual experience and observation, intuition, gleanings from biographies, official reports and other literary sources, and insights gained from the operations of foreign public services. This approach may have been acceptable in the past when government was a relatively simple affair and an individual could acquire a synoptic view of its operations. Today it is no longer tenable. The expansion of government business, the rapid pace of change and the growing complexity and technical content of decision-making renders such an approach an anachronism. Nevertheless, *faute de mieux*, it is the only one we have.

3. Furthermore while the absence of extensive data and the nature of modern government makes the task of reviewing the role of the Civil Service exceedingly difficult, it follows *a fortiori* that predicting its future development and suggesting proposals to cater for it is even more hazardous. Hence it is impossible to provide a detailed blueprint for the Civil Service for, say, the remainder of the century. The aim of reform, in so far as it is desired, should be to anticipate the next decade with reasonable accuracy and yet, since this is difficult, to frame proposals in an openended way to allow desirable but unpredicted changes to occur unimpeded. This is the guiding principle behind the suggestions made below.

4. The rest of this Statement will deal with criticism of the Civil Service and the contemporary functioning of the Civil Service. Finally, in the light of these, some innovations will be suggested.

II. Criticism of the Civil Service

5. It is a commonplace that Civil Servants carry out their tasks against the backcloth of an ambivalent public opinion. This consists of two distinct but opposed elements: on the one hand the Civil Service enjoys a high reputation for impartiality, integrity and dedication; while on the other it has been depicted as an ever-growing army of benign but ineffectual tea-swilling bureaucrats, enmeshed in red-tape, bossed by recruits from the "old-boy" network. This paradoxical image has been accepted as one of the facts of life, but it is a major factor governing the working milieu of Civil Servants and one which makes their jobs unique. This balance between praise and censure can be easily upset and

¹ At the basic level, for example, there is nothing to compare with Dr. G. E. Calden's impressive volume "*Career Service: An Introduction to the History of Personnel Administration in the Commonwealth Public Service of Australia, 1901-1961*", 1965.

it is this fact which has influenced the development of many of the operational norms characteristic of the Civil Service.

6. In addition to its general public image the Civil Service has been subject to more specific criticism over the years. In the 1930's its impartiality was impugned by some socialists, most notably by Professor Laski. Its conduct during the Attlee administration satisfied most people of the service's loyalty to the government of the day. In the 1950's the grounds of criticism changed and the social background of the higher Civil Service was called into question. While civil servants were no longer regarded as *parti pris*, it was argued that recruitment from a narrow stratum of society necessarily made them less sensitive in their conduct of affairs to the needs of ordinary people—and this at a time when government was assuming greater responsibilities for the needs of its citizens. The remedy, it was said, lay in broadening the social basis of recruitment. This somewhat naïve argument never really took root and was in any case overtaken by the latest, and in many ways the most forceful, wave of criticism. This indicts the Civil Service on grounds of inefficiency resulting from too great a commitment to traditional attitudes.¹ The crux of the argument is that the Civil Service has failed to adapt itself quickly enough to the needs of modern government. Traditional modes of thought and of operation have prevailed at a time when new ideas, expertise and machinery are needed. A variety of changes have been suggested by the critics including the creation of new Ministries, the recruitment of outside specialists, instituting a system of Ministerial *cabinets* along French lines, appointing an Ombudsman, and creating specialist committees in Parliament to scrutinize the work of government departments.

7. The general impact of this recent criticism has been considerable. It erupted suddenly and did violence to our long nurtured pride in the Civil Service as being without peer. Secondly, its advocates came from the ranks of serious journalists, academics and politicians² who have sought to support their case with detailed examples of the achievements of public services abroad. And thirdly, although the broad structure has been maintained, many changes *had* occurred within the Civil Service in recent years.

8. It is important, however, to keep this criticism in perspective. While it has frequently been the subject of adverse comment the Civil Service today no longer has to suffer this alone. All of our national institutions have come under close scrutiny recently—an activity which began with *Penguin Specials* and now continued and formalised with the creation of the Prices and Incomes Board, N.E.D.C. and its offshoots, Industrial Training Boards, the Industrial Reorganisation Corporation and similar bodies. All this is to the advantage of the Civil Service by reducing its isolation as a focus of criticism. This point needs to be stressed in order to reduce the possibility of an over-defensive reaction on the part of the civil service to suggestions for change.

¹ Anyone who has read Lord Bridge's 1951 lecture "Portrait of a Profession" may be forgiven for sympathising with this criticism. A more apt title, perhaps, would have been "Mirror, Mirror on the Wall..."

² In an age of so-called "consensual politics" criticism from issue hungry politicians is likely to increase.

III. The Functioning of the Civil Service and the Machinery of Government

9. Like much else in life the workings of government are largely perceived in terms of a general stereotype. Accordingly, policy is made—or at least endorsed—by ministers with the help of senior administrators who, in tendering advice, will bear in mind the Minister's personal and political orientation and will have elicited the views of appropriate specialist Civil Servants and affected parties. Furthermore, it is invariably assumed, that this system operates uniformly in all departments. Given the lack of research it is not surprising that this formal constitutional definition, with minor modifications, has been allowed to pass as the real description of the policy-making process.¹ In the era of simple government the formal and the real may have converged sufficiently for the former to serve as a reasonable approximation of the latter—although even this is doubtful. It is certainly no longer the case. But the lack of research has resulted in the general stereotype being sustained by textbook writers reinforced by the memoirs of former Civil Servants and Ministers; indeed the colloquial term "Whitehall" suggests a monolithic entity. This severely limits a better understanding of the value of government business and the role played by the Civil Service in its execution which, of course, is vital to the task in hand.

The Concept of Departmental Modernisation

10. A more fruitful approach, perhaps, may come from applying the notion of development or modernisation (which is more usually employed in analysing the political systems of emerging nations) to the governmental system. The conventional view of "Whitehall" implies a mammoth all-embracing bureaucracy whereas, in reality, it is a complex of many bureaucracies which can be differentiated according to their *organisational structure* and the *nature of the decision-making process*. If, as it were, a continuum of bureaucratic² modernity or development is postulated it would be possible to plot the stage reached by each Ministry according to these two indices.³ Thus, for example, near to one end we should expect to find departments like the Home Office which fit the classical description of the conduct of government business fairly well. The Home Office is essentially concerned with the traditional regulatory functions of government; decision-making remains simple;⁴ and the administrative Civil Servant is pre-eminent. Sir Robert Peel, reincarnated, would find it easier to perform the duties of Home Secretary once more than to resume office as Prime Minister.

11. Further along the continuum would come Ministries such as the Department of Education and Science, being more "advanced" than the Home Office in terms

¹ It is interesting to compare this situation with those areas of politics which have been more extensively researched into where considerable divergence between the formal and the actual has been revealed, e.g. voting.

² Using the term in its objective sense.

³ Doubtless there are others. This notion of departmental modernization is simply an hypothesis to be tested by research which, if validated, would lead to further refinements.

⁴ This is not to say that problems facing the Home Office are simple but rather that adequate techniques have not yet been devised to deal with them. When they are it may well result in a more complex decision-making process in which case the Home Office would be placed further along the continuum. This is likely to happen when the work of the Research Unit, the Automatic-Data-Processing Planning Unit and the Computer Agency begins to have a greater impact on policy-making. There are signs now that this is beginning to happen.

of size, greater internal functional division, a perceptibly greater contribution from its research and intelligence branches to policy-making, and the growing number of advisory committees attached to it. Next would come departments similar to Transport where decision-making is more technical and is reflected in the organisational structure. In Transport recent rearrangements have aimed at facilitating co-ordination between administrators and specialists through a system of joint heads in a number of branches and divisions.¹

12. Towards the other end of the continuum would be found a cluster of Ministries which would probably include the Treasury, the D.E.A., Technology, and Defence; these represent the high-water mark of departmental development. In these departments decision-making is highly complex and technical and specialists make a major, often predominant, contribution to it. Because of this they are usually accorded direct access to the Minister and even to the Prime Minister. Not surprisingly, the relatively novel practice of employing outside experts on short-term commissions tends to be concentrated in these departments. And in Technology some senior positions, hitherto the preserve of administrators, will be filled by either administrators or specialists in the future as circumstances and personnel available may merit.

13. Without detailed research into the operations of departments it is difficult to assess how far, if at all, this concept of departmental modernisation is valid, although what circumstantial evidence there is would seem to support it. The conventional way of describing the work of departments has over-emphasised the similarities and under-played the difference between them. It is hard to believe that the numerous bureaucracies which form the vast organisational complex of government are immune from the operations of, what Professor Kenneth Boulding has called, "the principle of non-proportional change". Further support for this view comes from a distinguished Civil Servant who has served as Permanent Secretary in a number of departments. Writing in 1961 Sir James Dunnnett explicitly made the point that "... there is a danger in assuming that the tasks facing the administrator in all departments or indeed in all parts of the same department are broadly similar ... when one looks from department to department or indeed even inside one department one finds very considerable differences".²

The Case for the Generalist

14. If it is assumed that there is a large measure of truth in, what I have called, the concept of departmental modernisation it clearly has important implications for Civil Service recruitment and training practices. In particular, it questions the future utility of maintaining the general administrative cadre which has traditionally staffed the senior posts. Indeed it follows *ex hypothesi* that, in the most developed Ministries at least, the perpetuation of the general administrator system would be an inappropriate response to modern needs. In some

¹ For a detailed account of this see D. E. Regan, "The Expert and the Administrators: Recent changes at the Ministry of Transport", "Public Administration", Summer, 1966.

² "The Civil Service Administrator and the Expert", "Public Administration", Autumn 1961, p. 227 (my italics). See also W. W. Morton, "The Plowden Report: The Management Functions of the Treasury", "Public Administration", 1963, p. 33, where it is stated: "Small as this [Administrative] class is, for operational purposes it exists as a number of really small, separate, departmental cadres".

ways this is implicit in the Treasury's proposal to collapse the present Administrative and Executive Classes into a single management grade; the very term "management" connotes a degree of specialist functional differentiation.¹ But at the same time there seems to be some official resistance to such a development. The suggested practice of "starring" the best entrants to the management grade and giving them accelerated promotion is by itself unexceptionable, but it does hint at a desire to maintain within the new framework, the present *general administrator policy-making elite*. Furthermore, the Treasury memorandum² states that the "starred" entrant would continue to participate in the kind of course currently provided for Assistant Principals by the Centre for Administrative Studies. Now, while the recent commitment to formal training in the Civil Service is most welcome, it is nevertheless true that the C.A.S. course is designed to underpin the position of the general administrator. By giving participants an insight into economic and statistical techniques it aims to inculcate a sense of cost-consciousness together with an ability to communicate with their economist colleagues if only at an elementary level. It is not a *prime* aim of the course to apply these techniques to the specific jobs performed by the participants in their respective Ministries. Indeed, if such were the case, it would only be achieved by running a variety of courses, each one catering for officials from related departments.

15. Those who oppose specialist training for young administrators often argue that the complexity of modern decision-making, involving necessarily a greater use of experts, reinforces the need for a body of generalists to co-ordinate the contributions of various specialists and to put the common sense point of view. Moreover, it is stressed, that since Ministers are not usually specialists in the subject-matter of their departments—and, if they are, have not the time to give full consideration to every proposal—it is even more desirable to have advisers who can discuss policy in layman's language. And, it must be said, there is a superficial attraction in this reasoning.

16. There are, however, serious objections to it. The fundamental criticism concerns the basic assumption that the generalist can still perform his traditional role as efficiently as he could in the past; i.e. despite the increased complexity and technicality of modern decision-making he is still able to hold his own alongside his expert colleagues. This is highly dubious. There seem to be two preferable alternatives to this bland assumption: either the generalist no longer performs his task as efficiently as before; or else he has ceased in many departments to be a generalist and has had to acquire, albeit haphazardly, enough specialist insight to make his role viable. On either count the rationale for the generalist is considerably weakened. Furthermore, the introduction of "irregulars" on short-term contracts and the recruitment at Assistant Secretary level of outsiders with specific experience to fill particular posts represents a retreat, however unconscious, from the generalist concept. In addition to all this, if the Treasury proposals are an attempt to continue, and perhaps to enhance, the generalist system within the new management grade this will perpetuate the irritation felt by the specialist classes who take exception to the second-class status accorded them. The

¹ The assumption throughout this statement is that the Treasury's proposal for a management grade will be generally accepted. It is a logical and necessary reform.

² Memorandum No. 1.

pressure for equality is unlikely to abate given that these form the fastest-growing element in the Civil Service. Between 1939 and 1964 the numbers for professional, technical and scientific Civil Servants show a seven-fold increase as against an increase of just over one and a half times for the administrative class, which is roughly similar to the growth of the total non-industrial whole-time Civil Service during the same period.

17. The primacy of the generalist administrator is contrary to all the trends operating in the civil service. Dr. D. Honig, Special Assistant to the President for Science and Technology, has revealed that forty per cent of the posts in the top four grades in the U.S. Federal Civil Service are occupied by scientists and engineers. In view of this, he argues, neither scientists nor administrators can be the servants of the other since there must be a thorough mixing of scientific and political considerations in the determination of policy.¹

18. This view hints at the kind of administrator or manager that will be needed in the future. Few would argue that policy-making should be left entirely to specialists. Even if this were desirable it would not be feasible: the government service is unlikely to attract enough specialists to do this so, as far as can be seen, there will be a continuing need for a corps of administrators—though *not* of the generalist type.

The Future Administrator

19. In deciding on the kind of future administrator it must be recognised that somehow two opposed forces will have to be accommodated: the pressure for increased specialisation on the one hand and the pressure for greater co-ordination on the other. First, the growing complexity of decision-making means, if he is to hold his own with his expert colleagues, that the administrator must acquire a good working knowledge of, and a developed analytical insight into, the subject matter of the problems with which he has to deal. In short, he will have to become more specialised in his skills than in the past. This may lead to some restriction in the ability to transfer staff freely between departments which is regarded by traditionalists as one of the great virtues of the administrative class although this does not seem to have been operational in the lower and middle echelons of the Administrative Class.² The creation of a series of specialist groups of administrators, however, is not to suggest a rigid departmentalism of the kind found in the last century. The aim is to strike a reasonable balance between efficiency and flexibility and to this end it is suggested that administrators should be recruited and allocated to *groups* of related ministries. This proposal was originally made by Professor W. A. Robson in 1954³ though it is regarded without enthusiasm in many Civil Service quarters. The main reason for this is that it challenges one of the basic principles of the Civil Service generally and of the

¹ See D. Honig "Science and Government", *Proceedings of the American Academy of Political Science*, 1966.

² Over a ten-year period 233 out of 1,155 Principals, 304 out of 741 Assistant Secretaries and 117 out of 246 Under Secretaries had served in more than one department. See "Treasury Control of Establishments: Fifth Report from the Estimates Committee", 1963-4 H.C. 228 1964, Appendix V, p. 166.

³ See "Recent Trends in Public Administration", *Political Quarterly*, 1954.

administrative class in particular. Another reason, which is often given against the abolition of general entry recruitment, is the need to staff all government departments; it is felt that if people could apply for specific jobs they would only go for the most glamorous ones.¹ There may be a danger of this happening if vacancies in specific Ministries were advertised, but, if applicants were attracted to particular groups of Ministries it would be much less likely. In any case there is some evidence that a move towards more specific recruitment would be far more attractive to graduates than the present "pot luck" system² which would offset the problem of staffing unpopular departments. But, of course, the main aim of this proposal is to increase the efficiency of the administrator.

20. Having suggested one way of meeting the need for greater expertise among administrators (this subject will be discussed again later) it is now necessary to look at the second consideration—the need for greater co-ordination in the conduct of government business. At the outset it must be stressed that the scale of modern government prohibits simple or lasting solutions which will ensure successful co-ordination. A variety of approaches is currently being used and this will continue. The regular re-shuffling of functions between Ministries will go on as before. "Chequers weekends" have been introduced to augment the conventional machinery of inter-departmental liaison. N.E.D.C. and similar bodies have been created to formalise relations between the government and the more influential interest groups³ in order to improve co-ordination between the public and private sectors of the economy. Doubtless innovations of this kind will be one of the enduring features of the modern polity as government tries to deal with the almost intractable problem of maintaining a reasonable degree of co-ordination and communication between its proliferating and expanding agencies. But it is desirable to complement these structural remedies by fostering a broad perspective in the attitudes of Civil Servants.

21. Traditionally, the Civil Servant's main policy orientation has been vertical; i.e. the senior administrator would look downwards through the machinery of his own department in assessing the full implications of a particular proposal. In the less developed Ministries this is the situation which obtains today.⁴ But with the growing complexity of government and more particularly with the increasing inter-dependence and overlap between departments, senior officers in the more developed Ministries have had to supplement this vertical preoccupation with a horizontal perspective. In other words, they have had to evaluate policy proposals not only from the standpoint of their own department but also from that of related departments and, in major cases, from that of the whole government in order to achieve a reasonable level of policy co-ordination. A

¹ See the answer of Mr. P. M. Ross (Assistant Secretary, E.M. 1, Division of the Treasury) "Recruitment to the Civil Service: Sixth Report from the Estimates Committee, 1964-5", H.C. 308 1956, para. 165, p. 55.

² See "The Attitudes of City University Students Towards An Administrative Career in the Civil Service" by Trevor Smith and Daniel Lawrence, "Sixth Report from the Estimates Committee 1963-4", op. cit., para. 33, p. 205.

³ Of which, be it noted, the Civil Service is one. For an interesting discussion of the subject see "The Higher Civil Service as an Action Group in Western Political Development" by F. Morstein Marx in J. La Polombara (Ed.) "Bureaucracy and Political Development", 1963.

⁴ Mr. P. D. Henderson argues that throughout the 1950's the problems of economic policy-making were looked at in strictly departmental terms. See "Government and Industry" in "The British Economy in the 1950's", Warwick and Ady (Eds.), p. 374.

broad view of government operations and an appreciation of the tendencies at work within them must become part of future equipment of senior administrators and this will be better guaranteed if it is included in the aims of formal, mid-career management training. The acquisition of such a perspective among administrators will do as much to secure co-ordination as any permutation of structural arrangements.

The Use of Outsiders

22. Two recent developments in the Civil Service have a bearing on these questions of specialisation and co-ordination, and in any case they require discussion in their own right. I refer to the recruitment of outsiders: both mid-career entrants with established status and the appointment of individuals with particular skills on a short-term basis. There may be, perhaps, a tendency to regard these as temporary expedients to bridge the current short-fall in general and specialist manpower, whereas in fact all the signs indicate that, to a greater or lesser extent, they will become established practice. Firstly, the rapid change in the technologies and expertise which bear upon decision-making make it impossible to anticipate the future by "home-growing" specialists in a routine way. Once a new specialisation has become developed and identified, of course, it becomes both possible for and incumbent upon the Civil Service to play its part in recruiting and training people in the new skill. Secondly, experts apart, it is generally acknowledged that an influx of recruits in mid-career with appropriate experience is beneficial to the Service. It prevents too much in-breeding among administrators and adds a new dimension to the available pool of experience in a department. The main point to make is that this practice has not gone far enough. Although most large employers pay lip-service to the idea of developing managerial talent by a judicious policy of job rotation it is very difficult to implement this in practice. So far as the Civil Service is concerned there has been talk of arranging secondment to the Bank of England, nationalised undertakings, and private industry for selected personnel and some such postings have occurred. But the numbers are likely to remain small. Hence the need to import into the administrative cadre people with experience relevant to the work of particular departments; and, here, the opportunity for transferring scientists and others from within the Civil Service should not be ignored.¹ Indeed, what should be envisaged, is that the senior policy makers of the future should be recruited from a variety of sources: from mid-career entrants; from scientific and professional Civil Servants; and from career Civil Servants in the proposed management grade. The need is to create, as it were, a number of "hybrid" species to staff the policy-making positions. As Mr. Nevil Johnson has said in discussing this subject, "We really need to ... reach a stage at which we have economist-administrators, educationalist-administrators, architect-administrators, engineer-administrators and so on".² The notion of self-sufficiency so far as staffing is concerned, which operated up to 1939, is no longer functional and can never be so again.

¹ This point is accepted in para. 11. of the Treasury's Memorandum to the Commission. It was also recommended in the "Fifth Report from the Estimates Committee 1963-4", *op. cit.*, and is implicit in the Tennant Committee's Report on "The Organisation of the Scientific Civil Service", HMSO, 1965, para. 44.

² N. Johnson "Who are the Policy Makers: Conclusion", "Public Administration", Autumn, 1965, p. 286.

23. In discussing the role of Civil Servants on short-term contracts it is necessary, of course, to distinguish between the conventional "temporaries" and, what have been called, the "irregulars". The former designation refers to the vast numbers of unestablished Clerical Officers and to short-contract appointees in the Scientific Civil Service and elsewhere. The term used also to apply to the few people, usually quite senior, who were brought into the service on an *ad hoc* basis but the influx of such people since 1964 and, in some cases, their political connections, requires a separate classification for them—hence the term "irregular". There are two kinds of irregulars. First, there are those, who might be called "partisans", who have been brought into government to provide a political counterweight to the official advice which Ministers receive from the regular Civil Service. These partisan irregulars are usually experts in their own right but they also share a common political outlook with the Ministers they serve. It is this point which has provoked the constitutional purists who argue that the inclusion of these irregulars in the Civil Service violates the principle of official neutrality. Furthermore, it negates the convention of Civil Service anonymity which is one of the traditional corollaries of the doctrine of Ministerial responsibility.¹ What the purists fail to appreciate is that, even before the employment of irregulars, the principle of anonymity had been steadily eroded by such developments as: the publication of inspectors' report after planning appeals; the use of departmental spokesmen to the Press; the effects of the rise of specialised journalism dealing with particular areas of government activity; the appearance of senior officials before Parliamentary committees and other public enquiries; and the increasing contact between Civil Servants and representatives of public organisations. Thus any infringement of the principle of anonymity resulting from the use of irregulars should be seen as the latest manifestation of a trend rather than as a new departure. Even so, however alien the employment of partisan irregulars may be to the *principle* of Ministerial responsibility, their contribution may well add a good measure of *substance* to its practical operation. The growing complexity of government and the shorter tenure of Ministerial portfolios² make it more difficult for Ministers to impose effective personal control over their departments. The support afforded ministers by partisan irregulars may help redress the balance. And, in any event, it is unlikely that informed public opinion will confuse the partisan irregular with the orthodox Civil Servant; however, on grounds of constitutional tidiness, there may be a case for formally distinguishing the two types of advisers.

24. The second group of irregulars comprise those whom we can designate as "agnostics"; these are closer to the more conventional type of senior "temporary". They are brought into the Civil Service because of their specialist skills but, while they are not identifiable with the government of the day in the same way as the partisans, the agnostics are unlikely to be out of sympathy with the general aims of a government which has recognised the value of their contribution to policy-making.

25. The justification for appointing these irregulars is two-fold. In the first place they possess scarce skills which are needed to improve decision-making.

¹ Professor Max Beloff has vigorously attacked the use of irregulars in a "Daily Telegraph" article entitled "Outsiders in the Corridors of Power", reprinted in the "Whitley Bulletin", 1965.

² The Ministry of Defence has been the worst sufferer with thirteen Ministers since 1945. For a general comment see Anthony King, "Britain's Ministerial Turnover", "New Society", 18th August, 1966.

Secondly, it is argued, they are able to take a fresh look at issues. They are not blinkered by a traditional departmental way of doing things and they can stand back from the immediate situation and take a longer view of problems. In particular, in an age when the demand for hard facts and certain knowledge outstrips (even in the most efficiently run organisation) the research capacity to provide these quickly enough, it is useful to have people on tap who can make informed guesses. Irregulars are more likely to be successful at this (a) because they will be more prepared to chance their arm given the temporary nature of their appointment, and (b) because their training and experience should make their hunches superior, more often than not, to those emanating from the regulars.

26. However, the employment of irregulars is not without its difficulties. It will take a good deal of experiment to discover how best to fit them into the work of departments.¹ Their contribution will be the greater if regular Civil Servants are persuaded of the need for them to complement their own work and this should be another aim of formal training. The other problem is the question of secrecy, which is a major problem. Inevitably short-term appointees will feel less committed to the organisation—indeed, in some ways, they are meant not to be. Unlike the career administrator, but more like the career specialist, the irregular has a dual loyalty; one to the department in which he temporarily works, the other to his professional and/or political associates outside. And, not unnaturally, he will feel a need to justify himself to both. Many radical commentators² would welcome any breach in the secrecy which traditionally cloaks government business. Be this as it may, it is certainly true that the adoption of economic planning will inevitably make the formulation of economic policy a much more public affair than in the past, so that in this sector, at least, there will be less reason for departmental secrecy.

27. In this section an attempt has been made to present a view of the nature of modern British government. If this has been somewhat discursive and yet has failed to provide a comprehensive treatment the fault, to some extent, lies in the nature of the subject and our current state of knowledge about it. Nevertheless, partial as the result may be, an examination of present arrangements and the trends at work within them is a necessary preliminary to making proposals relating to the future of the Civil Service.

IV. Recruitment

28. Despite the greater efforts which have recently been made in Civil Service recruiting it is quite clear that even more extensive campaigns will have to be launched in the future. The manpower needs of the new management grade alone will demand this as the Civil Service will be in the market to recruit hundreds of graduates a year instead of the tens it at present requires.

29. Apart from allocating greater human and financial resources more imagination and better direction must be applied to the recruitment task. By imagination is meant improved publicity and a more intensive effect. In America, for

¹ This problem is discussed by Samuel Brittan, "The Irregulars", *Crossbow*, October-December, 1966.

² See, for example, Andrew Shonfield's "Modern Capitalism", 1965 and Brian Chapman "British Government Observed", 1963.

example, federal service recruiters often co-operate with their counterparts in the State and local services in sponsoring joint "career-days" at universities.¹ An experiment along these lines would be worth initiating in this country. A combined operation involving, say, the Civil Service, nationalised undertakings, local government and the police may well have a greater impact in turning students' minds towards public service careers than the present uncoordinated system. It certainly would not have less impact. By direction is meant the focus of recruitment. At present, the Civil Service Commission spends much of its effort in trying to get teachers at civic universities to persuade more of their students to apply for Civil Service posts whereas, what evidence there is, suggests they would do better to concentrate on the students themselves.

30. It would also help if Method I were scrapped as a means of applying for the Civil Service. Only a small minority of applicants now choose this option so no great harm will be done. Its abolition, however, may well go some way to remove the ingrained impression that the only way to enter the administrative class is to re-sit Finals. If the proposed management grade is implemented, of course, it will require a more simplified and streamlined selection procedure than the present methods used for the administrative class.

31. Of all reforms the adoption of the practice of advertising vacancies for groups of related Ministries would probably yield the greatest results.² Indeed, if the case made out above for varieties of specialist administrators is accepted, group recruitment of the kind being suggested follows as a logical concomitant. Furthermore, this applies even more strongly to staffing the management posts below the policy-making grades, where different functions will require people with different aptitudes, skills and academic backgrounds to carry them out.

32. Finally, the introduction of more extensive training will add to the attractiveness of a Civil Servant career both for university students and, more especially, for potential mid-career applicants.

V. Training

33. This section will be confined to a discussion of, what is sometimes termed, "executive development training". Professional and technical training covers an immensely wide field and would require an extensive survey to cover it adequately. For present purposes it will be enough to note that the provision of this type of training has been growing throughout the Civil Service in recent years and that it is bound to increase on a vast scale in the future.

34. To date, the Civil Service has largely ignored catering for the executive development of its senior and intermediate staff. It has been generally assumed that managerial talent "occurs" automatically, (in a similar way, perhaps, to the process of ageing) aided "occasionally"³ by a touch of conscious job rotation. Recent moves towards more formal arrangements for executive training, whilst

¹ Reported in Felix A. Nigra "Modern Public Administration", 1965, p. 318.

² The reasons for this will be found in Smith and Lawrence, *op. cit.*

³ The word is Mr. A. J. Collier's (Assistant Secretary at the Treasury) and is taken from his answer to Q. 521, Minutes of Evidence, "Fifth Report from the Estimates Committee 1963-4", *op. cit.*

welcome, must be regarded at best as a very tentative beginning. The new Assistant Principals course, for example, is little more than a "crash" programme in economics and statistics, created as a response to the Plowden Report. This very modest step represents a revolution in attitudes towards training in the Civil Service. However, one must beware of exaggeration; in the still pond of Civil Service training there is, not unnaturally, a tendency to mistake a ripple for a tidal wave.¹

35. It seems reasonable to assume that much more training will be undertaken in the future: what direction should it take? At the lower management levels, the content of training courses will be fairly specialised. Some of this can be organised within the Civil Service, provided by a central agency, as the Treasury sometimes does at present, or by one or more departments. One would expect, however, that a good deal of this training would be provided by external bodies such as technical colleges, polytechnics, universities and the new business schools. Where existing courses bear too little relation to the needs of particular groups of Civil Servants it will often be possible for these bodies to arrange special courses to cater for them.

36. For the most part, more advanced training ought to be provided from within the Civil Service system, possibly under the auspices of a Civil Service Staff College. One envisages such a college operating at a number of levels. First, it could cater for the potential specialist administrators who will come mainly, but by no means exclusively, from the "starred" entrants to the new management grade. For these officers the college would run a set of courses consisting of individual programmes oriented to the particular needs of the different groups of departments. Thus, one course would be provided for, say, participants from the defence and overseas departments, while others would accommodate Civil Servants from economics Ministries, from social service departments and so on. The syllabus of each course would be roughly similar to the rest but, and this is where they would differ from the present C.A.S. programme, each one would be structured to the particular problems encountered by the group of Civil Servants it was dealing with. For example, while economics might be included in all the courses the orientation of the subject would differ in each case; examples and problem-solving exercises would be taken from the particular field concerned. These courses should be post-entry rather than post-graduate as participants gain more benefit from this kind of training after two or three years in-service experience. This also has the incidental advantage of facilitating selection for the courses simply because more is known about the potential participants from on-the-job assessment.

37. Secondly, the college could provide a general staff course for "high-flying" Civil Servants in mid-career.² At this level there may not be the same need for

¹ Some such distorted perspective is already in evidence. A series of talks was arranged for Treasury staff in the winter of 1962-3 on topics such as the Channel Tunnel and the economics of the recommendations of the Robbins Report. Describing this series, Mrs. E. M. Abbott, Third Secretary of the Treasury, said: "Now I call this super-training because I think it is pretty super-training, but this is what we are really going to town on at the moment". Q. 1007, "Fifth Report from the Estimates Committee, 1963-4", *op. cit.* This description either needs challenging or else we need to invent new superlatives.

² For a discussion of the aims, contents and methods of management development courses see Michael Argyle and Trevor Smith, "Training Managers", Acton Society Trust, 1962.

specialisation in which case participants could be drawn from all departments and, perhaps, could include appropriate scientific and professional personnel. The course would aim to equip the Civil Servant to deal with his growing responsibilities and to acquaint him with the latest management techniques. It would probably be a mixture of refresher training and executive development training. However, experience may show it would be better to continue to make provision for the different departmental backgrounds of Civil Servants, in which case a series of courses would be run.

38. Thirdly, the college could well provide a variety of extended conferences for top policy-makers, which includes the senior ranks of all branches of the Civil Service, the armed services and, perhaps, irregulars.

39. In outlining briefly the kind of activities a staff college could undertake it may be thought that this would encourage too much in-breeding in the Civil Service. Two qualifications must be made. First, the college could bring in selected people from outside the Civil Service both as teachers and even as participants. Secondly, it would not seek to meet all the training requirements of the Civil Service; in addition to these courses, personnel could be sent to Henley or one of the business schools, etc., in appropriate cases.

40. However, the case for the creation of a Civil Service Staff College is stronger now than it ever was. In an illuminating article¹ Ambassador Raymond Thurston provides powerful reasons for such an institution. He argues that senior Civil Servants are better served by government training schools than by universities and other external bodies. First, they can be given privileged information and they are much closer to the flow of current official policies and actions; hence a more realistic and responsible fashion of study is possible. Secondly, they are inherently more responsible to the special requirements of senior personnel. Thirdly, they foster an *esprit de corps* among various categories of public servants which facilitate mobility and communication.

41. A sense of *esprit de corps* assists the functioning of any work group, but it is a vital necessity for the Civil Service. This stems from the ambiguous role the Civil Servant has to play. As an American study puts it: "The civilian executive is both immediately and ultimately responsible to the very people over whom he exercises great authority. His situation is paradoxical and anomalous ... For a person functioning within such a system, there is an Indian behind every tree. The executive cannot, however, in a fit of aggressive action simply go out and scalp the Indian".² Given this, the Civil Servant must be supported by a strong *esprit de corps*, and this is truer now than ever before. The old ethos of the Administrative Class can no longer serve as the cohesive, unifying force it once was. It has been progressively undermined and the creation of a management class will be the final blow—though few expect death to be instantaneous. A new spirit must be fostered to replace it. This will begin to develop from the reorganisation of the Civil Service; the better equipped it is to deal with

¹ See R. L. Thurston, "Education at the Top of Government", *Political Science Quarterly*, June 1966. The article also outlines in some detail the work of the U.S. Foreign Service Institute.

² "The American Federal Executive", W. Lloyd Warner et al, 1963, p. 241.

modern conditions, the higher will be the morale. But this will take time. Training, of the kind suggested, will help to short-circuit history and a prestigious staff college would greatly aid the process.

42. The old Northcote-Trevelyan ethos was not just a matter of high morale stemming from membership of an exclusive *élite*; it also embodied a more or less articulated code of ethics. The continuing growth of government functions, which inevitably accords greater power to the Civil Service, makes a generally acceptable code of ethics both a desirable and necessary attribute of the Civil Service. The kind of internal and informal safeguard such a code represents would constitute as good a check on administrative excess as all the formal external devices (i.e. Ombudsman, specialist Parliamentary committees, etc.) put together. Correspondingly, of course, it is more difficult to create. An ethical code cannot be "trained" into Civil Servants or anyone else. But formal training can foster this partly by stressing the "guardian of the public good" aspect of the Civil Servant's role, and partly by the overall climate of the teaching institution. This is another reason for a Civil Service Staff College, because, properly organised, such a climate could be developed.

43. Having said all this one must add that training is not a panacea. There is a certain dilemma about the present situation. On the one hand there is an overwhelming need for more training in the Civil Service and one can list the kind of results which one would like to see flowing from an expansion of training. On the other hand, however, one cannot be so certain about the precise content of courses. The field of staff development training is itself still in its infancy and a good deal of experiment is needed before the best approach is found. But, it can be argued, the Civil Service should be in the forefront of that experimental activity.

VI. The Central Organisation of the Personnel Function in Government

44. Before concluding this statement of evidence to the Committee the question of the future organisation of the personnel function remains to be discussed. At present this is divided between the Civil Service Commission, which deals with recruitment, and the Treasury which deals with conditions, numbers, training and so on. Is this ideal?

45. The creation of the new management class, as we have seen, will have considerable implications for the Civil Service Commission, and it raises the question whether or not the Commission should remain a separate entity. It is, of course, a classical piece of Victorian administrative furniture and this does not help its task. If it does continue as a separate recruitment agency, it must, at least, change its style.

46. However, there are good reasons for suggesting that, as in most organisations, recruitment should be merged with other personnel functions and be administered by one body. This really boils down to a suggestion for a central personnel agency created out of the Civil Service Commission and the Establishment divisions of the Treasury. Apart from being a tidier and more logical arrangement an agency of this sort, which is self-consciously and solely concerned

with government manpower needs, could carry on the continuous review of the Civil Service which is required by modern conditions. As was suggested in the Introduction, it is difficult to suggest a detailed blueprint of the future Civil Service because of the pace of change. Royal Commissions, appointed at intervals of twenty years, cannot be a substitute for the kind of continuous review which is now necessary. A central agency responsible for the whole range of personnel functions (including the proposed Staff college), would be the best way to ensure continuous review.

Summary

47. The paucity of research, the growing complexity and technical nature of governmental decision-making, together with the rapid pace of change, make the task of predicting the future development of the Civil Service a most hazardous exercise: and yet some kind of forecast must be attempted.

48. Such evidence there is suggests that government departments can be differentiated according to their organisational structure and the nature of the decision-making process. Thus Whitehall does not constitute a single monolithic bureaucracy but rather a complex of bureaucracies at various stage of development; and it follows that Ministries have differing manpower needs. Hence the present practice of staffing them from a corps of general administrators is inappropriate.

49. The Treasury proposal for a single management grade to replace the Administrative and Executive Classes is accepted without reservation.

50. However, the new management recruits will have to acquire more specialised skills if they are to discharge their duties satisfactorily. The officials who reach the most senior ranks will be, in effect, specialist administrators. Future policy-makers will be recruited from three sources:

- (i) career officials in the management grade;
- (ii) career specialists transferred from the professional and scientific classes;
- (iii) mid-career entrants to the management grade.

51. The employment of "irregulars" on short-term contracts is likely to be an established feature of the Civil Service for the foreseeable future. It may be helpful, however, to make a formal distinction between the partisan and the less committed type of expert, although a hard and fast line cannot always be drawn.

52. As an aid to recruitment, and also as a concomitant of the need for specialist administrators, it is suggested that vacancies in the management class should be advertised in groups of related Ministries. In this way applicants could seek jobs in the social service departments, or in the economics Ministries, or whatever, according to their preference; and, of course, they could apply for more than one group. Because of increased numbers, the recruitment process will have to be simplified.

53. Civil Service recruitment must make a greater impact particularly on university students. To this end it might profitably combine its efforts with those of the nationalised industries, local government and the police to make a joint "public service" approach to universities. Furthermore, the Civil Service needs to concentrate its efforts less on university staff and more on the students themselves.

54. Training of various kinds will continue to grow and the bulk of it will be provided by departments and, increasingly, by institutions of further and higher education. In addition, to this, however, there is a strong case for the creation of a Civil Service Staff College operating within the Civil Service framework. It is envisaged that it would provide three types of training:

- (i) a variety of courses in specialist administration for members of the management grade to be attended after two or three years service;
- (ii) more general executive development courses for those mid-career Civil Servants selected as potential policy makers from the management grade and from the Professional and Scientific Classes;
- (iii) extended advanced seminars for senior policy-makers.

55. A prestigious College would foster a sense of *esprit de corps* and would help in developing a code of ethics for Civil Servants.

56. Finally, it is suggested, the establishment functions of the Treasury and the recruitment tasks of the Civil Service Commission should be transferred to a new central personnel agency, responsible directly to the Prime Minister, charged with the continuous review of the Civil Service.

MEMORANDUM No. 151

submitted by

MR. F. STACEY

*Senior Lecturer in Government,
University College of Swansea*

March, 1967

Introduction

This memorandum is a brief résumé of some of the points which I make in a chapter of my book "*The Government of Modern Britain*". The book was completed in July, 1966 and is to be published by the Oxford University Press in Autumn, 1967.

2. In my book, I advocate provision, by an expanded Centre for Administrative Studies, of a training course, lasting at least two years, for all entrants to the Administrative Class. This proposal is similar to the scheme suggested by Professor P. J. O. Self in his Memorandum of Evidence to your Committee.¹ I agree with the main lines of his memorandum, and have endorsed it as a member of the Public Administration Committee of the Joint University Council for Social and Public Administration. It is unnecessary therefore for me to indicate points of agreement and I shall confine myself to mentioning suggestions from my book which are additional to, or different from, those made by Professor Self.

Duration of the Training Course

3. In my book, I suggest that it should be at least a two-year course. Professor Self does not mention the length of his proposed course. The French *Ecole Nationale d'Administration*, upon whose scheme both of our proposals are modelled, provides a three-year course. This, however, includes a whole year spent by each trainee in the provinces working in the office of the Prefect of a Department. Although I think that each entrant to the British Administrative Class should have a spell working in the office of a local authority, I do not consider that this need be for as long as a year. A course lasting twenty-seven months might well be the right length, but for the sake of brevity I shall refer to it as a two-year course.

Content of the Course

4. Like Professor Self, I suggest that entrants should be grouped, on the course, according to the department which they opted for. Some of the courses of study at the Centre would be common to all groups. For example, all groups

¹ Memorandum No. 147.

would study administrative, economic and social questions. In addition, each group would take courses in the specialised fields with which their chosen department has to deal. For example, those destined for the Ministry of Health would study social aspects of the Health Service, and entrants to the Ministry of Defence would follow a course in strategic studies.

5. The practical field work common to all entrants would be with a local authority. Other field work might vary according to the department chosen. Those entering economic departments should spend some time working in a nationalised industry and in private industry. I would also think it highly desirable for them to have a period working in the office of a trade union.

6. For those entering the social service departments, a period of work in outstations of the departments would be desirable, in, for example, the local offices of the Ministry for Social Security, where they would come into direct contact with members of the public. Those entering the Ministry of Health would spend some time with hospital boards and in the hospitals themselves. Entrants to the Ministry of Defence would spend some time at the Staff College and in training establishments of the armed forces. The trainees would be required to furnish reports to the Centre for Administrative Studies on all their field work. The Centre, on its side, would keep a record of the progress and standard of the trainees.

The Influence of a Training Course on Recruitment

7. The advantages of such a training course, in giving the young administrator some insight into the fields of knowledge which relate to his work in a Department, and also in broadening his outlook and experience, do not need to be emphasised. I consider the training course would confer an additional advantage in that it would assist recruitment. It would do this, in my opinion, in two ways.

8. In the first place, the sample survey of Hull University students made by Trevor Smith and Daniel Lawrence in 1965, at the request of the Estimates Committee, showed that a large proportion of students want to enter a profession in which some of the knowledge they have gained for their degree will be of value. Since the training course I have proposed for Administrative Class entrants would be divided into specialised groups this would, in many cases, be attractive to students. Thus, graduates in social studies would know that they would be training for one of the social service ministries. Economics graduates would be preparing for work in one of the economic ministries.

9. In the second place, it is a constant observation that good students have had their appetite whetted for further study when they come to the end of their first degree course. This is the main reason why many of them stay on in the universities to do post-graduate work. If, however, entering the Administrative Class would mean taking a two-year course at the Centre for Administrative Studies, many good students would be attracted by the prospect. I have discussed this point with several third-year seminar groups and the reaction has always been similar. They are more attracted by the idea of a two-year training course than they are by the traditional system of "training on the job".

Methods of Examination

10. I would like to emphasise one point about methods of examination for entry to the Administrative Class which seems to me to have been obscured in some of the evidence presented to your Committee, as reported in the press. It has rightly been pointed out that the proportion of students from the civic universities who take the Method I and II examinations is lower than the proportion who do so from among Oxford and Cambridge students. This is true, but it is also true that, of the students from civic universities who take the examination, many fewer proportionately succeed.

11. In the years 1957-63, out of 523 Oxford or Cambridge students who took the Method I examination, 135 were successful. In the same period, out of 406 students from other universities only 34 were successful.

12. In this period 1,749 candidates from Oxford and Cambridge took the Method II competition and 260 were successful. 841 candidates from other universities took this same competition and only 33 were successful.¹

13. It seems that there is a bias, in the working of the Method I and II competitions, against candidates from the civic universities. One cause of the bias in the Method I examination is not far to seek. Many candidates from civic universities are not able to make up sufficient papers, in the academic examination, from subjects they have studied in their degree course. This is probably inevitable in the nature of the examination. It was designed, in the first place, to fit in with Oxford and Cambridge syllabuses. It has since been adapted; but it would be impossible to make it fit all the variety of degree schemes in use throughout British universities. This variety and ability to experiment, is a valuable feature of British university life and it is certain to continue.

14. The reason for the bias present in the Method II examination must be entirely a matter of speculation. It is widely held, however, among staffs in civic universities, that the extra-curricular activities at Oxford and Cambridge (the university societies and the life of the common room, etc.) confer advantages which are not so frequently found in civic universities. Oxbridge students, in this way, acquire a fluency and a self-confidence which allow them to shine in the Method II examination and in the final interview. The examiners, it is maintained, are subconsciously influenced by their own image of the good undergraduate and favour the candidate who has something of the "Oxford Union manner."

15. I am not suggesting that the Method II examination should be abandoned. The subsequent careers of candidates chosen by this method seem to indicate that it is working well and is probably a better method of selection than Method I. I do suggest, however, that the Civil Service Commissioners could admit many more people by Method II than they do at present. In recent years, they have frequently complained that there are not enough good people for appointment to the Administrative Class. For example, in 1964, there were 88 vacancies

¹ These figures are taken from the Memorandum by the Civil Service Commission to the Estimates Committee, printed in H.C. 308 of 1964-65, p. 29.

but only 48 appointments were made.¹ This seems to me unduly cautious, especially when one knows the calibre of some of the candidates who have not been appointed.

16. Here again, a two-year training course for entrants would help. When, for example, there were 90 vacancies, it would be possible for the Commissioners to take in 120 entrants to the course. During the two-year course, perhaps 30 of these would be advised to take up another career. Of the 90 who came through successfully, it is likely that quite a number would be entrants from the civic universities who had initially seemed less self confident and less impressive to the Commissioners than their Oxbridge colleagues.

¹ *H.C. 308 of 1964-65, p. vi.*

MEMORANDUM No. 152

submitted by

SIR FRANK TURNBULL, K.B.E., C.B., C.I.E.

*formerly Deputy Under Secretary of State, Department of Education
and Science*

DR. A. V. COHEN

Senior Principal Scientific Officer, Department of Education and Science

DR. H. T. HOOKWAY

Chief Scientific Officer, Department of Education and Science

September, 1966

The Scientific Civil Service

1. For a long time I have felt that the fact that the Scientific Civil Service is constituted so closely on the model of the Administrative Civil Service, is a major misfortune. The idea that Scientific Civil Servants should be recruited for permanent service, and be paid on scales broadly comparable with those for other comparable classes derived from the desire to give the Scientific Civil Service "parity of esteem".

2. Scientific work is quite different in character from administrative work. Administrative work for the central Government is a highly specialised occupation, and there are great advantages in giving people a permanent career in it. For one thing, they cannot easily flounce out saying that they disagree with Government policy. For another, accumulated experience is of considerable value, and Ministers would have less confidence in the Service if people in it were in the habit of moving in and out frequently. To spend five or ten years in the Administrative Civil Service does not, in general, make a person more eligible for outside employment, and he would not enter it if there were not a firm prospect of a full career.

3. But on the Science side, the same considerations do not, in the main, apply. The bulk of the Scientific Civil Service is recruited to do scientific work, and much of it is research. While there are exceptions, most people do their best research before the age of 45, and some do it while they are quite young. There is then a major problem as to what a good research man will do in later life. Research administration and the scientific administration in Departments cannot absorb them all. It will not do the Administrative Civil Service any good if it is flooded with people from the Scientific Civil Service who have ceased

to be good at research, and have no qualifications at all for administrative work. In my experience, comparatively few have any real aptitude for administration as practised in Whitehall, and even those that have labour under considerable handicaps. This points to the need for arrangements which make it possible to employ scientists in government research and subsequently transfer them to teaching and industry.

4. British industry badly needs more people well trained in scientific disciplines. At present, most of the good graduates in science go into the universities or Government-financed research establishments. They get on to a Civil Service type of career with the right to go on to 60, or 65, and, at least, considerable difficulty is placed on the way of moving out to industry, or elsewhere, without personal loss. This is partly because, in the middle grades, the Scientific Civil Service is rather better paid and offers assured increments to a higher level than obtain in comparable posts in industry. As against this, of course, opportunities at the top in industry are much greater. But, for the ordinary competent scientist, Government work offers a more assured, and probably more agreeable, career.

5. The Research Councils are under pressure to conform to the terms of service which prevail in the Civil Service. Only the Medical Research Council has a substantially different system. It pays to scientists rates broadly comparable with the Health Service or universities, according to whether the individual's interests are directly clinical or not. M.R.C. superannuation arrangements allow their scientific classes to move easily into universities or the Health Service and vice versa. The M.R.C.'s normal practice is that initial recruitment of scientific staff should be on short contracts. At a suitable age, after not less than five years' service, they determine whether a man is suitable for a life-time of research, and they keep only a proportion of those they take in on this basis. I believe these arrangements are one of the main reasons for the high reputation of the Medical Research Council. The best people are willing to work there, because they know that they can retain real freedom to move to the outside world. The Science Research Council, the Agricultural Research Council and the Natural Environment Research Council are tied to the Civil Service system. It would be very desirable for the Scientific Civil Service to move in this direction, so that easy transfer could occur to the university, industry and schools.

6. The work of the Committee on Manpower Resources for Science and Technology has shown that a major problem is to get first-class people with university education to move readily into industry. While the chemical industry gets a good share of the best graduates, this is not true of the engineering industry which is, on the whole, less attractive to young scientists than university and Government research. In the middle grades they are paid no more than in the Civil Service, and they are not assured of an incremental scale running to the same heights as a P.S.O. can expect. The P.S.O. salary scale appears to be influenced by the need for parity of esteem with Administrative Principals. While this seems appropriate for P.S.O.'s destined for a complete career finishing in senior appointments in the Civil Service the availability of the P.S.O. scale to all who enter the Scientific Civil Service and enter the P.S.O. grade must discourage movement from the Service into industry. For the lower grades, salaries are aligned to industrial salaries by fair comparison, and if industry puts up its

pay to attract good people the Government follows suit after an interval. Since industrial life is apt to be more arduous and risky than life in a Government research station, and since an S.S.O. can, at present, expect promotion to P.S.O. in his mid-30's, there is little incentive to move from the Scientific Civil Service to industry.

7. I think it is an important interest of this Department, and the Research Councils, to get less rigidity in the Scientific Civil Service system. Past attempts to secure for the Research Councils a system which is less rigid than that for the Scientific Civil Service have not succeeded. I am sure the Research Councils as well as the Scientific Civil Service proper would benefit if there were much more temporary recruitment of young research workers, and a determined policy of retaining only a proportion of those so recruited.

8. I asked Dr. Hookway whether he and Dr. Cohen (who shared the opinion that changes are needed) could put forward any concrete proposals which would meet these points. The result is contained in the attached note.

NOTE BY

DR. A. V. COHEN and DR. H. T. HOOKWAY

September, 1966

A Suggestion for the Reform of the Scientific Civil Service

1. The Committee on the Civil Service may wish to consider what reforms are needed in the Scientific Civil Service.

2. It seems to us that the structure and balance of the more senior grades—S.P.S.O. and above—is reasonably well suited to the needs of the Service, and the career prospects offered to those in them is not out of line with the rest of the Higher Civil Service. The structure of this part of the Scientific Service also marries in fairly well with the proposals for a unified Service submitted by the Treasury to the Committee, although it may well be that even then some changes in the grading structure should be introduced.

3. We are concerned primarily with scientific officers in the rank of P.S.O. and below. It is in this area that we feel there is a particular case for major reform of the system.

4. The problem is essentially two-fold. First, there is at present a large body of S.S.O.'s and P.S.O.'s (about 2,700) mostly in established posts, with only 600–700 more senior posts. There is consequently a promotion blockage for

P.S.O.'s and the Service has therefore to carry a large body of established middle-aged P.S.O.'s who have effectively given up hope of promotion, whose scientific skills are in many cases becoming out of date or irrelevant to the work of their establishments, and who cannot readily be redeployed.

5. The second aspect of the problem is concerned with the practice of establishing young scientists when they enter the Service. In our view this has two consequences; it inhibits movement in and out of the Service, and makes virtually impossible the early retirement of P.S.O.'s in their mid-40's to ameliorate the promotion blockage referred to earlier.

6. There have been numerous attempts to grapple with this problem, including considering the possibility of encouraging movement of P.S.O.'s into industry, teaching and so on. The difficulty is that the salary maximum of a P.S.O. is probably rather better than could be expected in most industrial organisations by men of comparable ability and energy; and certainly very much better than could be obtained in the teaching profession. There is thus a positive disincentive for voluntary movement out of the Service.

7. In our view the problem could be solved by a major reorganisation of the Service. We suggest recruiting people into essentially temporary posts after graduation or initial research experience, and reviewing these people at the age of 30 for establishment or release; if released at that age they would have no difficulty in being absorbed into industry or the university system. We understand the system followed by the Medical Research Council bears some points of similarity. We envisage B.Sc's being taken on at 21 under a nine-year non-pensionable Research Contract Appointment starting at £1,000 and rising to £1,800 per annum, while Ph.D.'s could be taken on under a six-year Senior Research Contract Appointment with a scale between £1,200 and £2,000 per annum. Both classes could receive a non-contributory tax free £2,000 gratuity at age 30. This sum is chosen provisionally to enable them to buy their way in to whatever pensions scheme they might join if this should be appropriate.

8. There are many possible variants of the scheme we propose, and the scheme quoted above is chosen merely for illustration. We believe, however, that whatever the details, the essential features that should be adopted are: initial recruitment into temporary Research Contract Appointments, selection of a relatively small proportion for establishment at about the age of 30 so that those established can expect promotion prospects comparable to those of the Administrative Civil Service, a mechanism for providing a substantial cash sum for those released from contract, and a mechanism by which those released could, if they chose, apply that sum to purchase pension rights in their new posts, while those established could acquire "added years" of pension.

9. Using the detailed scheme proposed, tentative flow charts are shown in Appendix 1 of the existing and proposed systems. The figures under the existing system are gathered from the Zuckerman and Tennant Reports. It will be seen that there are at present some 3,400 in post; promotion prospects above P.S.O. being poor. Under our system there would still be 3,400 in post, of whom approximately the same number as at present would be in established posts of S.P.S.O.

and above, 800 would be established P.S.O.'s taken in at age approximately 30, and the remainder would be temporary Civil Servants in their 20's, 1,600 being research contract appointments and 300 senior research contract appointments.

10. Under this system, in a steady state, one would recruit 225 per year, selecting the best 45 for establishment into the corps of P.S.O.'s while 180 would be released from their contract. The relatively high proportion of those so released would imply that the people concerned need have no undue stigma attach to them. All might be paid a £2,000 gratuity at the age of 30, whether established or not, but it remains to be determined whether those established should have the option to take the cash rather than purchase "added years" of pensions rights. The costs of the system are worked out in Appendix 2; it would appear to be somewhat cheaper than the present system because of the greater proportion of younger men, though a proper actuarial study must be made before coming to any definite conclusions about this.

11. Though the system would probably be cheaper to operate than is that obtaining at present, we must examine the appearance and cost of the Service during the transitional period. It would clearly take a generation to establish the new scheme fully but the major change would be affected within 10-15 years. Appendix 3 studies the effects of implementing the proposals over a 10- to 15-year period on the assumption of a uniform age distribution and a steady expansion of size of order 2% per annum such as is not unlikely. It is shown that in these estimates it would not be necessary prematurely to retire existing P.S.O.'s. As it is believed that there is a concentration of P.S.O.'s in their late 40's or early 50's, arising from immediate postwar recruitment, it is probable that the change could be implemented rather more quickly than is suggested in Appendix 3 and without unduly harsh measures such as premature retirement.

12. The advantages of the proposed over the present system are:

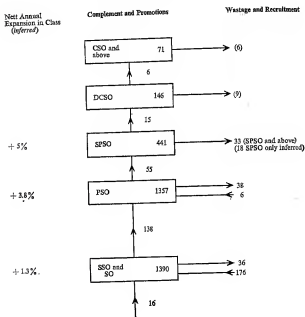
- (a) The Service would be in a position to select the best people. Establishment would be a prize to be aimed for after some years of service, and, once established, P.S.O.'s would have a very much improved promotion prospect.
- (b) Those declared redundant would be discharged at an age when they would easily find other employment and indeed their research experience would be an advantage to them at that stage of their career.
- (c) The flow of promising young men through Government research establishments, essentially receiving research experience in the temporary Appointments proposed, should help to meet some of the problems identified in the interim report of the Working Group on Manpower Parameters for Scientific Growth.
- (d) The Service could afford to pay rates to persons in their 20's that would be competitive with industry and effectively so with the United States after allowing for the differential in the cost of living. The high rate of pay of established P.S.O.'s relative to that of their British industrial equivalents would then be more justified since it would apply only to a relatively small selected portion of the most able.

- (e) There is a mechanism for providing men with a substantial cash sum at a time when they would need it for house purchase or purchase into a new pensions scheme. This point, together with (d) above should take care of the Brain Drain.

13. The full assessment of the cost of this proposal would require a much more detailed study than is given here and some actuarial advice might be needed, though we believe the main conclusions reached would be unaltered by such a study.

 SCHEMATIC CAREER FLOW DIAGRAMS OF THE SCIENTIFIC CIVIL SERVICE

PRESENT ARRANGEMENTS

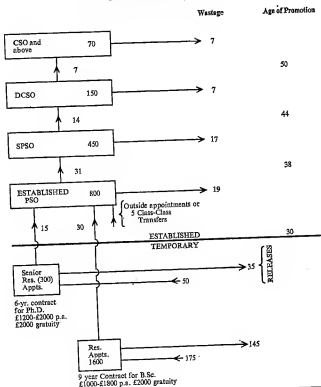


SOURCES FOR PRESENT ARRANGEMENTS

Complement in Classes in 1960—Zuckerman Report. Promotions, Recruitment and Wastage in 1963—from the Tennant Report. No figures are given there for recruitment into the higher posts, and no allowance has been made for this. Nor is the figure of 33 wastages in ranks of SPSO and above split among the grades: the figures given are inferential.

The different dates of the two sources of information and the subsequent changes of organisation in the Scientific Civil Service will affect the situation, but it is believed only marginally. A fuller appreciation would require study of non-published sources.

PROPOSED ALTERNATIVE
(after Equilibrium is Reached)
Total Complements similar to 1960 strengths

**COMMENTS ON PROPOSED ALTERNATIVE**

- The staffing of posts above PSO has been chosen broadly similar to that existing up to now.
- We have chosen to establish 800 PSO to give a reasonable prospect of promotion to established staff. Whether one-third of these would come from the senior research fellows or not would be decided on the basis of individual merit.
- Ages of promotions are chosen so that one-half of the staff at any grade will be promoted. For simplicity we have assumed that all those promoted do so at the average age.
- Approximately one in five temporary staff are established.
- It is assumed that occasional resignations will be balanced by high level recruitment.

COST OF THE TWO SYSTEMS (assuming total complements similar)

Rank	Salary scale (1966) £	Present system (1960 strength)		Proposed system	
		Complement	Cost ¹ £m.	Complement	Cost ¹ £m.
C.S.O. and above	5,000+	71	0.42	70	0.42
D.C.S.O.	4,175-4,625	146	0.65	150	0.67
S.P.S.O.	3,500-4,000	441	1.67	450	1.69
P.S.O.	2,250-3,107	1,357	3.85		
S.S.O.	1,744-2,155	975	1.80		
S.O.	926-1,574	415	0.51		
"New" P.S.O.	2,200-3,200			800	2.20
Sen. Res. Contr. Appts.	1,200-2,000			300	0.48
Res. Contr. Appts.	1,000-1,800			1,600	2.24
Salary Costs			8.90		7.80
<i>Tentative Estimate of Pensions Costs</i>					
Pensions of Established Staff ²			1.34		0.76
Gratuities to 180 Redundancies at £2,000 per head					0.36
Transfer Value to those 45 who are Established ³					0.09
Total Costs ⁴			10.24		9.01

¹ In assessing cost, the mid-point of salary scales is taken.² Cost of Pensions is assumed equal to 15 per cent of the salary bill of established staff. This corresponds approximately to the present system, with everyone assumed to retire at 60 and survive till 67. A full detailed study is needed for a precise figure.³ Transfer Values assumed equal to the Gratuities paid to those declared redundant.⁴ It seems that the proposed system costs about £1m. less per annum than the present system, but the exact saving must await a full actuarial study.

APPENDIX 3

THE TRANSITIONAL PERIOD

1. The consequences during a transitional period of adopting the proposed systems are examined under the following assumptions:

- (i) No new S.O. and S.S.O. posts appointed, nor P.S.O.'s appointed from outside.
- (ii) Research Contract Appointments and Senior Research Appointments will be made at the rate suggested in Appendix 1 after 4 years but at two-thirds that rate initially.
- (iii) The existing stock of S.O. and S.S.O. will be promoted to P.S.O. at the rate persisting up to now, *pro rata* with their steadily diminishing stock.
- (iv) Retirements and wastage from all classes continue as before.
- (v) Promotion into S.P.S.O. will be reduced to a level at which posts above P.S.O. grow by only 2 per cent per annum. Allowing for persons joining the Service at senior rank, this implies only 30 promotions from P.S.O. each year rather than 55 as at present.
- (vi) The age distribution is assumed to be an even one (see paragraph 5).

2. During this process, the grades of S.O., S.S.O. and P.S.O. will gradually become obsolescent. S.O. and S.S.O. will diminish steadily, while P.S.O. will reach a maximum and then diminish, while the "new established" P.S.O. stock will grow. One must make allowance for establishment not necessarily being rigidly at 30, and for some variation in the proportion of senior contract employees being established. Subject to a full actuarial study, the complement of posts below S.P.S.O. might well over 15 years, change as follows:

Year	Research Junior	Apptmts. Senior	S.O. and S.S.O.	New P.S.O.	Old P.S.O.	All Posts Below S.P.S.O.	% Change on Previous Year
0	0	0	1,390	0	1,357	2,747	
1	120	30	1,216	0	1,427	2,793	+1.7
2	240	60	1,063	0	1,478	2,841	+1.7
3	380	100	929	0	1,513	2,922	+2.9
4	520	140	812	0	1,534	3,006	+2.9
5	695	190	710	0	1,542	3,137	+4.3
6	870	240	621	0	1,540	3,271	+4.3
7	1,045	260	543	10	1,529	3,387	+3.5
8	1,220	280	475	20	1,511	3,506	+3.5
9	1,395	290	416	32	1,486	3,619	+3.2
10	1,450	300	364	64	1,456	3,634	+0.4
11	1,505	300	318	100	1,421	3,644	+0.3
12	1,540	300	277	140	1,383	3,640	
13	1,575	300	241	185	1,342	3,643	
14	1,575	300	209	230	1,299	3,613	
15	1,575	300	181	275	1,254	3,585	

COST OF THE TWO SYSTEMS (assuming total complements similar)

Rank	Salary scale (1966) £	Present system (1960 strength)		Proposed system	
		Complement	Cost ¹ £m.	Complement	Cost ¹ £m.
C.S.O. and above	5,000+	71	0.42	70	0.42
D.C.S.O.	4,175-4,625	146	0.65	150	0.67
S.P.S.O.	3,500-4,000	441	1.67	450	1.69
P.S.O.	2,250-3,107	1,357	3.85		
S.S.O.	1,744-2,155	975	1.80		
S.O.	926-1,574	415	0.51		
"New" P.S.O.	2,200-3,200			800	2.20
Sen. Res. Contr. Appts.	1,200-2,000			300	0.48
Res. Contr. Appts.	1,000-1,800			1,600	2.24
Salary Costs			8.90		7.80
<i>Tentative Estimate of Pensions Costs</i>					
Pensions of Established Staff ²			1.34		0.76
Gratuities to 180 Redundancies at £2,000 per head					0.36
Transfer Value to those 45 who are Established ³					0.09
Total Costs ⁴			10.24		9.01

¹ In assessing cost, the mid-point of salary scales is taken.

² Cost of Pensions is assumed equal to 15 per cent of the salary bill of established staff. This corresponds approximately to the present system, with everyone assumed to retire at 60 and survive till 67. A full detailed study is needed for a precise figure.

³ Transfer Values assumed equal to the Gratuities paid to those declared redundant.

⁴ It seems that the proposed system costs about £1m. less per annum than the present system, but the exact saving must await a full actuarial study.

APPENDIX 3

THE TRANSITIONAL PERIOD

1. The consequences during a transitional period of adopting the proposed systems are examined under the following assumptions:

- (i) No new S.O. and S.S.O. posts appointed, nor P.S.O.'s appointed from outside.
- (ii) Research Contract Appointments and Senior Research Appointments will be made at the rate suggested in Appendix 1 after 4 years but at two-thirds that rate initially.
- (iii) The existing stock of S.O. and S.S.O. will be promoted to P.S.O. at the rate persisting up to now, *pro rata* with their steadily diminishing stock.
- (iv) Retirements and wastage from all classes continue as before.
- (v) Promotion into S.P.S.O. will be reduced to a level at which posts above P.S.O. grow by only 2 per cent per annum. Allowing for persons joining the Service at senior rank, this implies only 30 promotions from P.S.O. each year rather than 55 as at present.
- (vi) The age distribution is assumed to be an even one (see paragraph 5).

2. During this process, the grades of S.O., S.S.O. and P.S.O. will gradually become obsolescent. S.O. and S.S.O. will diminish steadily, while P.S.O. will reach a maximum and then diminish, while the "new established" P.S.O. stock will grow. One must make allowance for establishment not necessarily being rigidly at 30, and for some variation in the proportion of senior contract employees being established. Subject to a full actuarial study, the complement of posts below S.P.S.O. might well over 15 years, change as follows:

Year	Research Junior	Apptmts. Senior	S.O. and S.S.O.	New P.S.O.	Old P.S.O.	All Posts Below S.P.S.O.	% Change on Previous Year
0	0	0	1,390	0	1,357	2,747	
1	120	30	1,216	0	1,427	2,793	+1.7
2	240	60	1,063	0	1,478	2,841	+1.7
3	380	100	929	0	1,513	2,922	+2.9
4	520	140	812	0	1,534	3,006	+2.9
5	695	190	710	0	1,542	3,137	+4.3
6	870	240	621	0	1,540	3,271	+4.3
7	1,045	260	543	10	1,529	3,387	+3.5
8	1,220	280	475	20	1,511	3,506	+3.5
9	1,395	290	416	32	1,486	3,619	+3.2
10	1,450	300	364	64	1,456	3,634	+0.4
11	1,505	300	318	100	1,421	3,644	+0.3
12	1,540	300	277	140	1,383	3,640	
13	1,575	300	241	185	1,342	3,643	
14	1,575	300	209	230	1,299	3,613	
15	1,575	300	181	275	1,254	3,585	

3. Thus grades below S.P.S.O. grow to a maximum of 3,640 after 11 years and then fall off slowly. In addition to these figures, we have suggested five outside appointments or class to class transfers each year into the "new established P.S.O." grade. This would raise the total complement to 3,700 maximum. The highest annual growth rates would be about 4 per cent, but the overall growth rate over the period is 2 per cent, similar to that suggested for the senior grades. This overall expansion of 2 per cent per annum will probably be considered reasonable. Were recruitment on contract to start immediately at the full rate, instead of as suggested, the Service would grow by 4 per cent or more for each of the first 6 years, which would probably be judged too fast.

4. At the end of 15 years, we still have only 350 of the "new class of P.S.O." (including outside appointments or class to class transfers). It would take perhaps 10 years to get up to full strength, by which time the obsolescent grades will have largely disappeared.

5. No attempt has been made to assess the wages cost during the transition period: it is almost certainly less than that which would obtain if the present system persisted. Nor has allowance been made for enhanced wastage in later years as the obsolescent grades get progressively nearer to retirement age. A full study will have to be done on an actuarial basis, but it seems that the present arrangements can be adopted over, say, 20 years without undue increases in expenditure other than those implied in the present system, and without accelerated dismissal of staff.

MEMORANDUM No. 153

submitted by

MR. R. TURVEY

*Member of the National Board for Prices and Incomes;
formerly (at the time of writing) Chief Economist, Electricity Council;
formerly university teacher and Civil Servant (Economic Section, H.M.
Treasury)*

January, 1967

The Future of the Centre of Administrative Studies

1. Although this memorandum is concerned only with a limited topic, it is necessary to start with two general propositions which, for the sake of brevity, I assert rather than demonstrate:

- (a) It is better that lay administrators should be assisted by economists when dealing with policy matters than that they should not; it is better still that they themselves should also have had some economics training. The same holds in respect of other relevant disciplines.
- (b) Policy-making would be better done if there were more and freer discussion of the issues by outside experts when policies are being formed.

2. The Centre meets the need asserted under (a) by giving training to (all?) Assistant Principals and some Principals. But it would meet this need yet more fully if it also provided facilities for more senior people who have missed such training or who have had it but have grown rusty.

3. Proposition (b) rests upon a belief that the openness and lack of secrecy in policy preparation which is to be found, for instance in the U.S.A. or Sweden, is a good thing. Since we cannot readily change our habits or the Constitution, this raises the question of whether some surrogate could not be found within the government machine. I believe that the Centre could be developed to make a contribution of this sort.

4. My proposal is that the Centre should be given extended functions and a higher status.

5. In terms of resources and organisation, this would involve:

- (a) A Director, of Deputy Secretary rank,

- (b) Professors, of Under Secretary rank,
- (c) Other full-time teaching staff and part-time teachers,
- (d) A good library and good secretarial and clerical assistance.

Full-time staff, many of whom might be recruited or seconded from Whitehall, would all be Civil Servants and would come under the Official Secrets Act. They would, however, be allowed to publish fairly freely, subject to a defined clearing procedure, and they would be allowed to choose university super-annuation as an alternative to Civil Service pensions if they came from outside the Civil Service. What all this adds up to, then, is an institution of higher learning.

6. In terms of functions, the proposal would involve not only courses for Assistant Principals and (for a while) for Principals who had missed these courses, but also study periods for *either* all Principals upon their promotion to Assistant Secretary *or* all Assistant Secretaries upon promotion to Under Secretary. I say "study periods" rather than "courses" because, unlike the Assistant Principals, these more senior people would arrive individually rather than in cohorts. The Centre would offer them participation in such current lectures and seminars as happened to be appropriate. More important, it would offer them the chance of a period of reading, reflection and perhaps research, guided and aided by the Director and Professors. Thus the person who had never learnt any economics could do so, the person being posted to a new department could study the background of its problems, the person fascinated by the possibility of using computers in his work could acquire the necessary background expertise, and so on.

7. A further function of the Centre would be to conduct examinations of policy questions. It would be part of the job of the full-time staff and part of the training of the Assistant Principals to produce reports, that is to do what Working Parties do in Whitehall. This would enable a thorough investigation to be made of matters which deserve more attention than they otherwise get, whether because departmental boundary lines inhibit an adequate perspective or because people are just too busy or for whatever other reason. It would use the technical skills of the Professors and give experience in research, discussion and drafting to the Assistant Principals. It would be useful to departments. The only limitations on the sort of topic examined would be that it must use some of the skills and techniques being taught and that it must be welcomed by at least the senior officials in the department within whose ambit it lay!

8. It can be claimed for the proposal that it meets the needs set out in the first three paragraphs above. It would do so successfully because, firstly, its status in the world at large would enable it to attract staff with an international reputation and, secondly, these staff would have the rank and the usefulness necessary to acquire the confidence of Whitehall.

9. The Centre ought to be renamed. It might be a good idea if it served local government and the nationalised industries as well, but this is only a tentative suggestion. The main point is that the Centre is an admirable innovation which ought to be extended.



Printed in England for Her Majesty's Stationery Office
By McCorquodale and Company Limited
London, EC4

HM 2027 Dd. 42256 K18 6/68 3336/2.

THE CIVIL SERVICE

Vol. 5 (2)

Proposals and Opinions

Parts 3 and 4: Organisations and
Individuals

**Evidence submitted to the Committee under
the Chairmanship of Lord Fulton
1966-68**



LONDON
HER MAJESTY'S STATIONERY OFFICE
1968

SBN 11 630005 1

PART III

ORGANISATIONS OUTSIDE THE
CIVIL SERVICE